

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 41

Section 1

February 18, 1933.

SMITH TO URGE COTTON CURTAIL Senator Smith, of South Carolina, said last night he had arranged to be recognized at 11 o'clock this morning to ask immediate Senate consideration of his bill designed to cut 1933 cotton production, according to the press today. The report says: "Mr. Smith said he hoped for quick approval of the measure which would concentrate in a Government pool the approximately 3,500,000 bales of cotton controlled by the Farm Board or other Federal agencies. Cotton farmers agreeing to reduce production then would be given an option on an amount of the pooled cotton equal to the reduction in their crop. The option would enable them to buy at the present price and sell after August 15 without putting up money or taking any risk."

R. F. C. LEGISLATION Plans for a more liberal lending policy by the Reconstruction Finance Corporation, designed to expedite public works as a means of relieving unemployment, were approved by the Senate yesterday in adopting Senator Wagner's amendment to remove the stipulation that public works built with corporation money must be self-liquidating, according to the press today. Under the Wagner amendment, should it be approved by the House, States, cities, and similar public agencies could borrow for necessary public works on their credit, although private corporations seeking loans for the construction of bridges, tunnels, docks, waterworks and similar projects for public use must show that these would be self-liquidating.

In direct opposition to Speaker Garner's ideas, the Democratic leader in the Senate, Senator Robinson of Arkansas, yesterday revived an issue supposedly settled by proposing repeal of the clause directing publicity for Reconstruction Finance Corporation loans. He claimed majority support for his proposal, but several members of the independent groups indicated opposition. (Press, Feb. 18.)

MICHIGAN BANK CONDITIONS A Detroit dispatch today states that while Michigan bankers still struggled yesterday to find a permanent solution of their problems, the Legislature at Lansing moved to endow Governor William A. Comstock with dictatorial powers over all banks in the State to prevent a crisis when the bank holiday which he proclaimed Tuesday morning expires Thursday.

THE LEAGUE AND JAPAN A Geneva, Switzerland, dispatch today says: "The League of Nations told the world yesterday by its own wireless telegraph the complete details of its leaders' plan for a pronouncement of censure upon Japan for her military action against China, and for a peaceful settlement of the dangerous conflict in the Far East. Yosuke Matsuoka, special counsel for Japan, announced less than an hour after publication of the League's proposals that his government would not accept the recommendations for peace....."

Section 2

Cosach

A Santiago, Chile, dispatch February 11 says:

Liquidation

"American interests in Cosach, the Nitrate Corporation of Chile, recently ordered liquidated by the government, announced February 10 they would cooperate in the dissolution of the company by the appointment of a representative to serve on the liquidation commission. It was learned that the president of Cosach, Medley G. B. Whelpley of New York, held a majority of proxies naming Horace R. Graham, executive vice president of Cosach, the member of the commission.

A second dispatch says: "The liquidating committee of Cosach continued February 10 its examination of present conditions in the nitrate industry.... Efforts are being made to export nitrate to Europe and assure the financing of future operations of producing plants, according to report."

Everglades
Wild Life

An editorial in The Florida Times-Union for February 10 says: "A few days ago Ernest F. Coe, of Miami, chairman of the Tropic Everglades National Park Association, passing through Jacksonville on his way to his Washington office, left with The Florida Times-Union some valuable data relating to the wild life of the proposed National Park in the Everglades section of this State. These data consist of excerpts from a report on 'Fauna of the National Parks of the United States,' by George M. Wright, Joseph S. Dixon and Ben. H. Thompson, all of whom are competent observers and investigators of wild life in national parks and its relationship in connection with popularizing the parks that the Federal Government has set apart for enjoyment of all the people of this country and of visitors from abroad. This report, that is now being put into print in the United States Government Printing Office in Washington, comprises approximately 150 pages with over 60 illustrations. That portion of the report that refers to the Tropic Everglades Park sets forth that 'Discussion of wild life problems and relationships in national parks would be decidedly inadequate if it did not include this particular project,' meaning the Tropic Everglades National Park. 'For here,' in this proposed Everglades Park, the report continues, 'the wild life is the park. It is the scenery and the whole interest, the only bit of the life of the humid tropics to be found in the continental United States,' as stated by the makers of a preliminary survey of the Everglades and authors of the report soon to be available.... The reading of the report here referred to will be of immense value to those who really want to know the facts concerning the fauna attractions this proposed Everglades National Park has to offer to the public, for, as the authors of the report say, 'the wild life (in the Everglades) is the park.'"

Japanese
Forest Fires

Nature (London) for February 4 says: "A paper on 'Forest Fires and Weather' (Sci. Papers Inst. Phys. Chem. Res., Tokyo, vol. 18), by T. Terada and T. Utigasaki, states that the annual loss due to forest fires in Japan is second

in magnitude only to that suffered by the United States. Japanese meteorologists might therefore do good service by studying the weather conditions that precede these fires in Japan, and perhaps eventually organizing a system of warnings, following the example of the United States. The authors of this paper were led to study this subject with the aid of synoptic weather charts through the known tendency for the fires to break out practically simultaneously in widely scattered parts of Japan. They conclude that such outbreaks are generally associated with the near approach of the 'squall-line' or principal cold front of a depression following an easterly track north of Japan, when the warmer of the two wind currents yields maximum temperatures of 20 degrees C. or more. There seems no a priori reason why the front should have anything to do with the matter; it is easy to imagine that the necessary antecedent conditions are merely a sufficiency of wind and warmth, with no rain and perhaps some special state of the air in regard to its water-vapour content. These conditions might seldom occur except on the approach of a depression...."

Poultry
by Air

Farm and LiveStock Record for February says: "The poultry industry is also attracting unusual attention and receiving some good advertising. The publicity given three hundred baby chicks, which comprised an air express shipment from Avon Park, Fla., to Bogota, Colombia, will attract international attention to our rapidly growing poultry industry. The Pan-American Airways, cooperating with Scadta, the aviation company operating in Colombia, carried the chirping cargo safely for 1,800 miles, at altitudes as high as 6,000 feet, establishing an all-time altitude and long-distance flying record for baby chicks."

Texas Citrus
Fruit Crop

Shippers and growers at Harlingen, Texas, will face a big problem during the coming season with a citrus fruit crop estimated at from 18,000 to 20,000 cars in the Rio Grande Valley. If present crop predictions are fulfilled, an average of 150 carloads of fruit will have to be packed and shipped each day--an increase of from 75 to 125 cars per day over shipments of the current season. Effect on the grower of this tremendous increase may have one of three actions--either much fruit will go to waste because of lack of market or progressive growers and shippers will be particularly careful and see that all fruit shipped is strictly U.S. 1 grade, thus making price for quality offset destruction of culls, or the market will be flooded by all growers with ungraded fruit, thus ruining both present and future markets for Valley fruit. Progressive packers are urging a strong advertising campaign in order to broaden both domestic and foreign markets, and some definite action along this line probably will be taken this summer, with a fixed charge per box in order to provide necessary funds.(Packer, Jan. 14.)

Women's
Labor in
Cotton

To determine how women living on cotton farms have adjusted themselves to their environment and what opportunities they enjoy for economic and industrial growth and for social welfare was the purpose of a study conducted by the University of Texas from November, 1928, to January, 1930. The district studied represented a typical cotton section and included all three important Texas population groups--Negroes, Mexicans, and native whites. Information was obtained on the living conditions of the women and the work they did--the latter subject covering three phases; work in rearing a family, housework, and field work. The value of the woman's work as a field laborer for the family was compared with the income she added to the family in the home production of food and clothing. It was estimated that the average value of this home production by women doing no field work was \$442.69 a year, and for those earning some actual cash income by home production the average was \$603.95. The average value of field labor was \$61.30 a year. Because of the creed that "cotton is the only ready money crop," it appears that "women must work in the production of cotton, yet it seems that women who do not raise cotton bring in more money than those who do." The report points out that farms producing cotton with unpaid woman labor tend to undersell farms with paid labor and to undermine the payment of a living wage. Women, with low rural maintenance standards, drawn from farms to town employment can undercut almost any customary wage, affecting the income of all employed classes, even the skilled and professional. Nowhere else in the country, probably, is so helpless a group of workers available with so few demands as to size of their commodity incomes. (Women's Bureau, Dept. of Labor.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 42

Section 1

February 20, 1933.

FARM RELIEF MEASURES

The press yesterday said: "Emergency measures of farm relief once more swept to the center of the legislative stage on Capitol Hill Saturday. While the Senate was passing the Smith bill to sell the Government's cotton holdings to farmers who reduce their 1933 plantings, Representative Marvin Jones, of Texas, chairman of the House agricultural committee, introduced a far-reaching proposal for dealing with defaulted farm mortgages. At the same time Secretary of Agriculture Arthur M. Hyde, outlined a drastic new proposal for withdrawing not less than 50,000,000 acres of farm land from cultivation next year, with the aid of the Federal Treasury. The Hyde plan would call for an outlay of approximately \$150,000,000 with which to compensate farmers who withdrew marginal land from cultivation. The abandoned acreage would be leased to the Federal Government, thus relieving the debt-burdened farmer of taxes and other charges...."

FARM GROUPS CRITICIZE SHANNON RE- PORT

An A.P. dispatch today says: "A sharply-worded letter was addressed to Congress yesterday by the heads of 14 farm organizations in criticism of the Shannon committee's recent recommendations for restricting activities of the Farm Board...."

LOWDEN AND WALLACE ON DEBTS

A New York dispatch today says: "Reconsideration of intergovernmental debts as an essential prelude to returned prosperity was urged yesterday in a joint statement by ex-Gov. Frank O. Lowden, of Illinois, and Henry A. Wallace, publisher of Wallaces' Farmer, of Iowa. The statement stresses the 'vital importance' of export markets to many basic industries and asserts that revision of debts, while not a cure-all, would aid 'the beginning of a return to better times.' They add that payment of the debts under existing conditions would be extremely difficult, if not impossible. The statement concludes with an appeal for closer cooperation with the nations of the world."

PICKETS SPILL MILK

A New London, Wis., dispatch today says: "Truckloads of milk were spilled again yesterday on Wisconsin highways as striking dairymen formed tight picket lines in their campaign for higher prices. The market blockade was concentrated around Waupaca County and little milk reached New London. Nine truckloads of milk, approximating 25,000 pounds, were dumped near Manawa. Order was maintained by picket lines, however, and no physical violence has been reported since yesterday."

JAPAN VOTES LEAGUE WITH- DRAWAL

A U.N.P. dispatch today from Tokyo states that the Japanese cabinet today decided to withdraw from the League of Nations if the league assembly adopts the committee of 19 report on Manchuria. The decision was considered tantamount to withdrawal. It was believed at Tokyo the league assembly would adopt the report, which criticizes Japanese military activity in Manchuria and refuses to recognize Manchukuo as an "independent state."

Section 2

Farm Legis-
lation

An editorial in The New York Times for February 17 says: "A committee of the House of Representatives has favorably reported a bill intended to deal with the farm-mortgage situation. Its scope is limited to mortgages held by the Federal Land Banks. Here it provides an extension of time for delinquent payments, spreading them over a period not to exceed ten years. Arrears would be paid in equal instalments, added to annual payments as they mature. The measure also provides for re-amortization in future of loans on which default has not yet occurred. Since the land banks hold only about one-eighth of the total volume of farm-mortgage debt outstanding--the greater part of it being in private hands--the new bill is by no means a complete solution of an admittedly difficult problem. But it proposes action at the one point distinctly within the sphere of Federal authority and offers a pattern for settlements which may be reached elsewhere by voluntary agreement between creditor and debtor.

"While this measure was being reported to the House, the Senate received from its committee on agriculture what remains of the 'Domestic allotment' plan. Two important changes have been made in it. The Senate committee has struck out the provisions relating to hogs, tobacco, rice, peanuts and butterfat--all of which were included in the bill as it passed the House on January 12--and has limited it solely to wheat and cotton. This has aroused the indignation of some of the farm organizations, particularly those representing producers of hogs. More important, the committee has also scrapped the provisions which required the farmer to reduce production if he wished to share in the bounty which the Government would collect for his benefit from millers and packers, and which these processors would, in turn, collect from the consuming public. From the start the plan rested on the doubtful assumption that the country would gain by using the power of taxation to transfer 'purchasing power' from one section of the public to another. But at least it could be argued that the plan was intended to curtail production of farm crops and so to reduce the great surpluses which have depressed prices. Now that this feature has been discarded, nothing remains but a frank proposal for a hand-out to producers of wheat and cotton. Production, instead of being curtailed, would be stimulated, and the basic situation be made worse than ever. ..."

Houston on
Finance

The Associated Press says: "America was described for the Senate finance committee February 17 as 'not so hard up' by an expert witness, who traced past economic upheavals and offered suggestions for improving business. The witness was David F. Houston, of New York, Secretary of Agriculture and of the Treasury under President Wilson, one of a long line of economic leaders to come before the committee in its study of depression cures. With him appeared John L. Lewis, president of the United Mine Workers of America, who advocated a dictatorial board of emergency control with plenary power to take recovery steps as it saw fit, and L. J. Taber, master of the National Grange, with other proposals for bringing back prosperity by aiding agriculture.

"Houston pointed to the country's wealth as compared with world resources as indicating it was not so badly off. He saw the roots of the depression in the World War and too rapid expansion in agriculture, industry and governmental costs afterward. To recapture prosperity he recommended: Maintenance of the Federal credit and no tampering with the currency, and refunding of the public debt at lower interest when these were assured. Revision of tariffs in the interest of trade, with America to get concessions, and discussion of readjustment of war debts, 'provided America had some compensation.' "

Klein on
Banks

Julius Klein, Assistant Secretary of Commerce, addressing the mid-winter trust conference banquet held under auspices of the Trust Division, American Bankers Association at New York, February 16, said: "Frankly, with a casualty list of some 10,000 banks during the past decade, there does seem, to the casual, non-professional observer, to be some warrant for concern, for thorough-going clinical analysis. But we should not, it seems to me, be led into a sweeping arraignment of the methods and policies of our entire banking and trust company structure simply because of the drastic fate which befell a portion of it, made up not entirely, of course, but to a considerable extent of unsound or inexperienced intruders in this highly technical profession....Like the rest of the human race and its institutions, our banks, bankers and trust companies have revealed serious weaknesses under the stress and strain of these past three years. They too have been assailed by the relentless forces of an economic cataclysm that has destroyed political parties in many countries, that has broken down currency systems throughout the world, that has forced some nations to abandon the gold standard in order to keep their banking systems going, that has wellnigh disrupted international relationships. This holocaust has ruined a large portion of world trade and destroyed a great portion of our own industry and commerce,--and yet through it all the basic American banking structure as a whole has stood for the greater part as one of the mainstays of this Nation's financial edifice...."

Michigan
Bank
"Holiday"

In an editorial on the Michigan bank "holiday," The New York Times for February 16 says: "...Recourse to a 'bank holiday,' a 'bank moratorium,' is not, however, the unprecedented step that seems to have been imagined. Our own country set the example for that expedient in a somewhat spectacular way as long ago as the panic of 1907. Within a week of the crisis at New York, in October of that year, and the run on the New York trust companies, the Governors of Nevada, Oklahoma, Oregon and California declared a banking moratorium ranging from three to six days, with the 'bank holiday' in California prescribed for one day, but renewed daily during the greater part of the two ensuing months. Financial London, where comment on the American episode had been supercilious in 1907, itself borrowed the expedient in the European crisis when war broke out in

1914....It will be observed that the London 'special holidays' were declared in a crisis of immense magnitude, which had occurred almost without warning. Even of our own 'western bank holidays' of 1907, it is to be remembered that the suddenness of the nation-wide panic took all those communities completely off their guard and left them short of cash to meet a run. The fact that peculiar circumstances induced the Michigan authorities to adopt the expedient, under very different circumstances, does not indicate recourse to it elsewhere."

R.F.C. Loans

Four States received emergency relief loans February 14 totaling \$275,374 from the Reconstruction Finance Corporation, Tennessee getting \$166,074, Michigan \$69,000, Georgia \$15,700 and Montana \$24,600. All are for emergency work during February. The Tennessee loan will be distributed among twenty-four counties; the Michigan loan goes to the City of Dearborn; the Georgia loan is divided between two counties, and that for Montana between four counties.

The Reconstruction Finance Corporation February 15 loaned \$924,551 to Iowa, \$421,913 to New Hampshire, \$52,609 to North Dakota and \$75,700 to Nevada for relief. The Iowa relief is for use in twenty-eight counties for a period ending April 30. In North Dakota the relief is for ten counties through February and in Nevada for five counties. New Hampshire funds are for the entire State.

Emergency relief loans totaling \$114,094 were authorized February 16 by the Reconstruction Corporation, \$10,544 going to Georgia and \$103,550 to Michigan. The Michigan loan is to care for three unnamed political subdivisions during March and April. The Georgia loan is for use in Dodge County during February and March.

Relief loans totaling over \$2,750,000 were authorized February 17 by the Reconstruction Corporation, Kentucky receiving \$2,609,700, California \$86,000 and Ohio \$54,000. The purchase of \$600,000 of bonds of the Regional Bridge Company of Kansas City, Mo., was agreed upon by the corporation, the money to be used for constructing a toll bridge over the Missouri River at Kansas City, Kan. The bonds will bear interest at $5\frac{1}{2}$ per cent. The loan is conditioned on highway extensions and improvements, estimated to cost \$745,000, to link arterial roads with the bridge. (A.P., Feb. 15, 16, 17, 18.)

Russian Agricul- ture

Walter Duranty, Moscow correspondent of The New York Times, in February 15 issue, says: "A decree of the Council of People's Commissars announces the formation of a strong committee, of ten, attached to the Council, 'to supervise and calculate detailed and total yields of the year's harvest.' In addition, there are two sub-committees. One, of six members, will study lagging grain-producing areas, such as the lower Volga, the North Caucasus and the Ukraine. The other, of twenty-three members, will devote its whole time to the North Caucasus, where the lag is worst. The somewhat obscure definition of the committee's duties may be taken to mean it will proceed immediately to investigate available local supplies for the spring-sowing campaign and to assign whatever additional allotments are necessary from the central reserve...."

Wholesale Prices The Bureau of Labor Statistics of the U. S. Department of Labor announces that its index number of wholesale prices for the week ending February 11 stands at 60.2 as compared with 60.0 for the week ending February 4, showing an increase of three-tenths of 1 per cent. These index numbers are derived from price quotations of 784 commodities, weighted according to the importance of each commodity and based on average prices for the year 1926 as 100.0.

Section 3 MARKET QUOTATIONS.

Farm Products Feb. 17.--Grain: No.1 dark northern spring* Minneapolis 48 1/8 to 49 1/8¢; No.1 northern spring* Minneapolis 47 1/8 to 48 1/8¢; No.1 hard winter* Kansas City 43 1/4 to 44¢; No.2 hard winter* Kansas City 42 3/4 to 43 1/4¢; St. Louis 49 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 51¢ (Nom.); No.2 S.R. Winter Kansas City 45¢; St. Louis 50 to 50 1/2¢; No.1 W. Wh. Portland 40 1/2¢; No.2 Am. Dur.* Minneapolis 41 3/4 to 44 3/4¢; No.1 Durum (Duluth) 45 3/4 to 47 3/4¢; No.2 rye Minneapolis 30 3/4 to 32 3/4¢; No.2 mixed corn Minneapolis 19 to 20¢; Kansas City 22 to 22 1/4¢; Chicago 25¢ (Nom.); St. Louis 23 1/2 to 24¢ (Nom.); No.2 white corn Kansas City 22 to 22 1/2¢; St. Louis 24 1/2¢ (Nom.); No.2 yellow corn Minneapolis 21 to 22¢; Kansas City 22 1/4 to 22 3/4¢; Chicago 25 1/4¢; St. Louis 25¢; No.3 yellow corn Minneapolis 20 1/2 to 21¢; Kansas City 21 1/2 to 22¢; Chicago 23 1/2 to 24 1/4¢; St. Louis 23 to 24 1/2¢; No.2 white oats Minneapolis 14 7/8 to 15 3/8¢; Kansas City 18 to 18 1/2¢ (Nom.); Chicago 17 to 17 1/4¢; St. Louis 16 1/2¢; No.3 white oats Minneapolis 14 3/8 to 14 7/8¢; Kansas City 17 to 18¢ (Nom.); St. Louis 16¢ (Nom.); Special No.2 barley Minneapolis 27 to 29¢; Chicago 33 to 36¢; No.1 flaxseed Minneapolis \$1.09 1/2 to \$1.11 1/2.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$4.75 to \$7.25; cows, good \$2.75 to \$3.25; heifers (550-750 lbs.) good and choice \$4.75 to \$6; vealers, good and choice \$5 to \$6; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$5.75; hogs, 160-200 lbs. good and choice \$3.40 to \$3.70; 200-250 lbs. good and choice \$3.45 to \$3.70; 250-350 lbs. good and choice \$3.30 to \$3.50; slaughter pigs, 100-130 lbs., good and choice \$3 to \$3.25; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.35 to \$6.

Maine sacked Green Mountain potatoes 92 1/2¢-\$1.35 per 100 pounds in eastern cities; mostly 48¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-75¢ carlot sales in Chicago; 50¢-52 1/2¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.50-\$2 per bushel crate in eastern cities; mostly \$1.15 f.o.b. Lower East Coast points. New York and Midwestern yellow varieties of onions brought 30¢-70¢ per 50-pound sack in consuming centers; 32¢-38¢

*Prices basis ordinary protein.

f.o.b. Rochester and 35¢ f.o.b. West Michigan points. New York Danish type cabbage \$15-\$18 bulk per ton in New York City; \$8-\$9 f.o.b. Rochester. Florida Pointed type \$1-\$1.15 per 1½-bushel hamper in the East. Texas Round type \$1.40-\$1.50 per western lettuce crate in Chicago; 70¢-75¢ f.o.b. Lower Valley points. New York U.S. No.1, 2½ inches McIntosh apples \$1-\$1.25 and Rhode Island Greenings 65¢-85¢ per bushel basket in New York City; f.o.b. sales of Rhode Island Greenings 65¢-70¢ in Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¢; 91 score, 19¢; 90 score, 19¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10½¢ to 11¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 14 to 14½¢; Standards, 13¼ to 13½¢; Rehandled Receipts, 12½ to 12¾¢.

Average price of Middling spot cotton in the ten designated markets advanced 5 points to 5.91¢ per lb. On the corresponding day one year ago the price stood at 6.64¢. March future contracts on the New York Cotton Exchange advanced 7 points to 6¢, and on the New Orleans Cotton Exchange advanced 4 points to 5.95¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 43

Section 1

February 21, 1933.

THE PRESIDENT'S MESSAGE

The press today reports: "Again warning that American business is suffering heavily for want of definite legislation on Capitol Hill, President Hoover sent an unexpected special message to Congress yesterday vigorously urging conclusive action on eight major measures bearing directly upon economic recovery. He hinted that because of prolonged uncertainty concerning the vital legislative program the national economic life has been drifting steadily in recent weeks in the direction of a complete paralysis of confidence and credit. The message warned of 'new elements of grave danger' in the credit situation arising from the general publicity demanded..for Reconstruction Finance loans, and again urged Congress to modify its policy so as to protect local communities from undue alarms and grossly exaggerated fears....

"Immediate enactment of the emergency bankruptcy reform bill was urged as the most pressing need of the present situation. 'This legislation is of the most critical importance in this period of readjustment,' Mr. Hoover said...Secondly, the message suggested prompt ratification of the Great Lakes-St. Lawrence treaty, which promised important relief to the prevailing distress of unemployment. Next, the general principles of the Glass banking bill, now before the House banking committee, should be enacted, as a step to the reestablishment of national confidence....As a fourth measure urgently required in the remaining ten legislative days of the short session, the President listed enlargement of the R.F.C. loans to States and municipalities 'on the same terms as the present act.'

"The President began his discussion of farm relief with the blunt declaration that the domestic allotment plan, which has been under consideration since December, probably would do more harm than good....The message specifically indorsed the recent suggestion of Secretary of Agriculture Hyde to withdraw approximately 50,000,000 acres from cultivation, through leases to the Federal Government, the leases to be paid by a manufacturers' excise tax of 1 or 2 per cent on the principal farm commodities...."

WAGNER BILL

The Senate yesterday passed the Wagner bill providing a vast expansion of the Government's unemployment relief program, according to the press today. The report says: "Carrying an additional \$300,000,000 for relief loans to States and more liberal terms for construction loans, the bill was approved 54 to 16 and sent to the House, where it was expected to receive early consideration...."

ROOSEVELT-- LINDSAY CON- FERENCE

President-elect Roosevelt issued a statement yesterday after his conference with Sir Ronald Lindsay, British Ambassador, who has returned from a week's consultation in London with his own Government. Mr. Roosevelt said: "The British Ambassador has given to Mr. Roosevelt unofficially the views of the British Government touching the broader aspects of the world economic situation. The conversation was confined to the general aspects of the problems. No specific proposals relating to the world economic conference or intergovernmental debts were discussed...."

Section 2

Business

The Business Week for February 22 says: "Michigan's Conditions 8-day banking moratorium shocked business and the financial markets, but promises to work out with an irreducible minimum of damage. The automobile manufacturers, for example, continued to go ahead. Their support is lifting steel production to higher levels, particularly in the independent mills....While bank suspensions have been declining in the past 4 weeks, the toll is still heavy. Currency outstanding reached a new high for the year, while check payments plumbed the depths. It is obvious that merely increasing the volume of currency will not solve the money problem, whereas business would respond immediately to the tonic of a greater turnover of what money we already have.... Cold weather came to the aid of coal and electric power production, and indirectly helped carloadings....Commodity prices are still too sensitive to prevailing breezes, but better sentiment is cropping up in the market....For the fourth consecutive month, commercial failures have been less numerous than in the preceding year, one of the most hopeful signs of the present season.... Another was the impressive report of the National Transportation Committee, which found the railroad situation not so desperate as generally represented, and remarked that the real solution is to treat railroading as a business....Europe has a case of nerves. France, so long almost immune, is now feeling the full blast of deflation....Japan's industrial boom continues; apparently foreign financial and commodity markets take the League of Nations more seriously than does she."

Fur Prices

An editorial in Hunter-Trader-Trapper for March says:

"There are very few changes in raw fur prices from those quoted in our last issue. The fur market is at low ebb and the receipts were pretty light, indicating a rather small catch, which in a way might be a good thing, enabling the dealers to dispose of their hold-over stock. Dealers seem to think that after the trapper got his first price list and saw how low prices were they quit trapping. Opossum is selling well, considering the quality coming in now. Skunk, good seasonable, all sections, selling well. Mink are in demand, quality considered. Red fox, strong and firm. Brown weasel still selling well. Wolf in good demand, gray fox also. White weasel in good demand. Spring muskrat holding their own at last month's prices. Practically every staple article on the raw fur price list has been selling freely with the possible exception of the raccoon. Even furs from southern points, where the warm weather has affected the quality, have sold well, especially opossum and mink."

Georgia Land

A Valdosta, Ga., dispatch February 19 says: "The migration of city people to the soil has been in such numbers that not a habitable farmhouse in the Valdosta area is vacant. Every building fit for dwelling shelters a family. Many have no means of financing a crop or even feeding themselves until harvest, but they express confidence of eking out a better living than in the cities. In numerous instances migrators moved into

vacant houses without even troubling to find out who owned them. Once domiciled, they set about to drive a bargain with the landlord."

New England

A Boston dispatch February 19 says: "Governor Stanley C. Wilson of Vermont, as head of a State which he believes is now recognized as the leader in the New England dairy industry, reviewed in a speech in Boston a few days ago the record of the plan for the stabilization of that industry which began to function less than a year ago, and declared that the plan must not be allowed permanently to fail. 'There shall be justice to this industry in New England,' he said....A new plan, to be financed from funds to be made available by the Federal Farm Board, is now projected, but it is contingent upon control of 95 per cent of the milk supply, and no one knows whether that can be obtained. The entire farm population of Vermont, and large numbers of farmers in the other northern States are awaiting the outcome with genuine anxiety...."

Prices

The index number of wholesale commodity prices as computed by the Bureau of Labor Statistics of the U. S. Department of Labor shows a decrease from December, 1932, to January, 1933. This index number which includes 784 commodities or price series weighted according to the importance of each commodity and based on the average prices for the year 1926 as 100.0, averaged 61.0 for January as compared with 62.6 for December, showing a decrease of $2\frac{1}{2}$ per cent between the two months. When compared with January, 1932, with an index number of 67.3 a decrease of over 9 per cent has been recorded in the 12 months. In the group of farm products decreases in the average prices of barley, steers, hogs, live poultry, eggs, lemons, hay, fresh milk in New York, and wool caused the group as a whole to decrease slightly less than $3\frac{1}{2}$ per cent from the previous month. Increases were recorded in the average prices of corn, oats, rye, wheat, calves, cows, sheep, cotton, oranges, and sweetpotatoes. Among foods price decreases during the month were reported for butter, cheese, rice, cured and fresh beef, ham, coffee, cocoa beans, lard, and granulated and raw sugar. On the other hand canned tomatoes, rye flour, fresh lamb, mutton, fresh pork, veal, and dressed poultry averaged higher than in the month before. The group as a whole decreases about $4\frac{1}{4}$ per cent in January when compared with December. The hides and leather products group decreased 1 per cent during the month due to further decreases in boots and shoes, leather, and other leather products. The subgroup of hides and skins increased during the month. Textile products as a whole decreased slightly more than 2 per cent from December to January, all subgroups shared in the decline. In the group of fuel and lighting materials sharp reductions in the average prices of crude petroleum and petroleum products caused the group as a whole to decline $4\frac{3}{4}$ per cent during the month. Anthracite and bituminous coals showed minor reductions also, while coke remained at the December levels. Mixed fertilizers, fertilizer materials, and chemicals showed slight recessions during January causing the group to decline practically 1 per cent from the

month before. Drugs and pharmaceuticals increased slightly during the month. As a whole the housefurnishing goods group decreased about 1 per cent from the previous month, both furniture and furnishings shared in the decline. The group of miscellaneous commodities decreased approximately $3\frac{1}{2}$ per cent between December and January due to declining prices of paper and pulp, crude rubber, and other miscellaneous articles with cattle feed showing a slight increase during the month and automobile tires and tubes remaining at the December level. The January averages for all the special groups of commodities were below those for December ranging from $1\frac{1}{3}$ per cent in the case of semimanufactured articles to more than $3\frac{1}{2}$ per cent in the case of raw materials. Between December and January price decreases took place in 262 instances, increases in 84 instances, while in 438 instances no change in price occurred.

Science and
Agricul-
ture.

An editorial in The Scottish Farmer for February 4 says: "Those of us who were reared more than a generation since never dreamed that we would reach a time when the Minister of Agriculture could refer sardonically to the 'infernal scientist' as the root cause of the plight of agriculture. Reared as we were in the grim shadow of Malthus's theory of population growing faster than subsistence, science has proved triumphant in raising the standard of public health and withal subsistence, we are informed, is more than sufficient to cope with a population which is now reasonably free from epidemic but not yet from the scourge of war. But in our junior days the scientist who could make two blades of grass grow where one grew before was the benefactor. War while pruning the best of our manhood also checked production, as Dr. Carl Snyder in America has shown, and the world's food products have not yet reached the magnitude they would have attained if progress had not been interrupted. It has to be realized that 70 per cent of the world's population are dependent on the produce from the land. In a remarkably sound article by E. M. H. Lloyd of the Empire Marketing Board, in the current Scottish Journal of Agriculture, the author emphasises 'that we can not expect the world's agricultural depression to be solved by measures confined to agriculture....In the absence of monetary planning attempts to control the prices of particular commodities are like stopping up holes in a sieve.'...Farming is the essential industry, and it is time that the leaders of that industry were realizing that they must take a firm stand on this question and put it right in the forefront of the agricultural program. It is idle for Mr. Skelton to write that the present system 'will give the farmer a security and a confidence he has not known for many a long day,' and that 'in 1933 the producer will take a hand in the game,' while at the same time the 'infernal scientist' continues his nefarious work in all industries, creating a greater and greater army of unemployed. Only when this position is acted, for we can hardly believe it is unrealized, will there be any certainty that we shall emerge from this world depression."

Wool The Commercial Bulletin (Boston) for February 18 says:
Market "Demand for wool has dwindled to almost negligible proportions
in the eastern markets this week. Prices are very slightly in
favor of the buyers on wool and also on tops and yarns. In the
piece goods markets demand is slow for everything except women's
wear lines, and not especially brisk just now for that. Interest
appears to be more pronounced at the moment in woollens than in
worsted. Several clips have been sold in Arizona to date, the
clean cost of which, landed Boston, is figured somewhere from 32
to 35 cents. A number of buyers, however, are inclined to re-
frain from buying at the current price level. Foreign markets
are distinctly slower and softer both in the primary and second-
ary markets. Merinos are off 1 to 2 cents clean in Australia
over the past week or two."

Section 3
MARKET QUOTATIONS

Farm
Products

Feb. 20.—Grain: No.1 dark northern spring* Minneapolis
47 5/8 to 48 5/8¢; No.1 northern spring* Minneapolis 46 5/8 to
47 5/8¢; No.1 hard winter* Kansas City 43 1/4 to 43 3/4¢; No.2
hard winter* Kansas City 42 3/4 to 43 1/4¢; St. Louis 49¢ (Nom.);
No.1 S.R. Winter St. Louis 50 1/2¢; No.2 S.R. Winter Kansas City
44 3/4 to 45 1/2¢; St. Louis 50¢; No.1 W. Wh. Portland 40 1/2¢;
No.2 Am. Dur.* Minneapolis 41 1/2 to 44 1/2¢; No.1 Durum (Duluth)
45 1/2 to 47 1/2¢; No.2 rye Minneapolis 30 1/2 to 32 1/2¢; No.2
mixed corn Minneapolis 18 1/2 to 19 1/2¢; Kansas City 21 1/2 to
22¢; Chicago 24¢ (Nom.); St. Louis 23 1/2¢ (Nom.); No.2 white
corn Kansas City 21 1/2 to 22¢; St. Louis 25¢ (Nom.); No.2 yellow
corn Minneapolis 20 1/2 to 21 1/2¢; Kansas City 21 1/2 to 22¢;
St. Louis 25¢ (Nom.); No.2 yellow corn Minneapolis 20 1/2 to
21 1/2¢; Kansas City 21 1/2 to 22¢; Chicago 24 1/2 to 25 1/4¢;
St. Louis 24 7/8 to 25¢; No.3 yellow corn Minneapolis 20 to 20 1/2¢;
Kansas City 21 to 21 1/2¢; Chicago 23 to 23 1/2¢; St. Louis 23
to 23 1/2¢; No.2 white oats Minneapolis 14 5/8 to 15 1/8¢; Kansas
City 18 1/4¢; Chicago 17 1/4 to 17 3/4¢; St. Louis 17 1/4 to
17 1/2¢; No.3 white oats Minneapolis 13 7/8 to 14 5/8¢; Kansas
City 17 to 18¢ (Nom.); Chicago 16 1/4 to 16 1/2¢; St. Louis 17¢
(Nom.); Special No.2 barley Minneapolis 27 to 29¢; Chicago 32 to
35¢; No.1 flaxseed Minneapolis \$1.08 1/4 to \$1.10 1/4.

Livestock: Slaughter cattle, calves and vealers;
steers (900-1300 lbs.) good and choice \$4.50 to \$7; cows, good
\$2.60 to \$3; heifers (550-750 lbs.) good and choice \$4.25 to
\$5.75; vealers, good and choice \$4.50 to \$5.75; feeder and stocker
steers (500-1050 lbs.) good and choice \$4.50 to \$5.75; hogs,
160-200 lbs. good and choice \$3.40 to \$3.70; 200-250 lbs. good
and choice \$3.40 to \$3.70; 250-350 lbs. good and choice \$3.20
to \$3.45; slaughter pigs, 100-130 lbs., good and choice \$3 to
\$3.25; slaughter sheep and lambs, lambs, good and choice (90 lbs.
down) \$5.15 to \$5.75.

*Prices basis ordinary protein.

Maine sacked Green Mountain potatoes 90¢-\$1.20 per 100 pounds in eastern cities; 45¢-48¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-72½¢ carlot sales in Chicago; 48¢-52¢ f.o.b. Waupaca. New York and Midwestern sacked yellow varieties of onions brought 30¢-75¢ per 50-pound sacks in consuming centers; 40¢-43¢ f.o.b. Rochester and 37½¢ f.o.b. West Michigan points. New York Danish type cabbage \$15-\$18 bulk per ton in terminal markets; \$7-\$9 f.o.b. Rochester. Florida Pointed type \$1-\$1.12½ per 1½-bushel hamper in New York City. Texas Round type \$1.50-\$1.65 per western lettuce crate in Chicago; 65¢-75¢ f.o.b. Lower Valley points. New York No.1, 2½ inches Rhode Island Greening apples 65¢-78¢ and McIntosh \$1-\$1.25 per bushel basket in New York City; Baldwins \$1.10 and McIntosh 95¢-\$1 f.o.b. Rochester.

Average price of Middling spot cotton in the ten designated markets remained unchanged at 5.96¢ per lb. On the corresponding date one year ago the price stood at 6.64¢. March future contracts on the New York Cotton Exchange declined 1 point to 6.02¢, and on the New Orleans Cotton Exchange remained unchanged at 5.98¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¼¢; 91 score, 19¢; 90 score, 19¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¼ to 11½¢; Single Daisies, 10½ to 11¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 14 to 14½¢; Standards, 13½¢; Fresh Firsts,* 12¾ to 13¢. (Prepared by Bu. of Agr. Econ.)

*Grade designation changed from Rehandled Receipts to Fresh Gathered Firsts effective February 20, 1933.

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 44

Section 1

February 23, 1933.

MORTGAGE AID BILLS

The press today says: "Bills to ease the mortgage burden are on the legislative calendars of both branches. In the Senate it is the Hull-Walcott plan to have the Reconstruction Corporation finance a two-year moratorium on farm and small home foreclosures. In the House it is the Steagall measure to authorize extensions on Federal Land Bank mortgage payments. But both have a long road to travel in both houses and only eight days to make the trip. This situation was regarded yesterday as unfavorable to final action on either, or to any bills which have not yet emerged from committees...."

LAND-LEASING BILL

The press today states that a vast land-leasing project in which the Government would take up 50,000,000 acres of farm land and withhold it from cultivation for one year was incorporated in a bill introduced yesterday by Senator Carey of Wyoming. The report says: "The Carey bill provides an appropriation of \$150,000,000 to lease the land and remove it from cultivation for a year, although some agricultural leaders have placed the probable cost as high as \$400,000,000. The money so spent by the Government would be recovered under the plan as incorporated in the bill through the levying of a 2 per cent sales tax indiscriminately on all cereal products. The bill was referred to the Senate committee on agriculture...."

COTTON POOL BILL

An emergency plan for helping the cotton-growing South yesterday topped the heap of farm-aid bills that are piled up at the Capitol awaiting a chance to get on the statute books before the March 4 deadline, according to the press today. The report says: "The measure, already passed by the Senate, now has the approval of the House agriculture committee and is scheduled for consideration on the floor. It would offer participation in a Government cotton pool as an incentive to farmers to curtail their 1933 production...."

MILK WAR TRUCE

A Milwaukee, Wis., dispatch says: "Intervention of Gov. A. G. Schmedeman yesterday brought a truce until May 1 in the turbulent milk strike which for a week caused disorders in a dozen eastern Wisconsin counties. Walter M. Singler, 38-year-old Shiocton farmer, president of the Wisconsin Cooperative Milk Pool, which sponsored the strike, issued orders to pool leaders to clear highways of barricades and to resume normal marketing of milk. Singler agreed to this action at a conference with the Governor and at a meeting in the University of Wisconsin Field House attended by 1,500 farmers representing 21 agricultural organizations...."

MICHIGAN BANK AID

A Detroit dispatch today says: "Steps were taken yesterday to reorganize the two big groups of national banks in Michigan through the formation of new corporations with the aid of the large stockholders and a loan which it is hoped the Reconstruction Finance Corporation will make. These groups are the First National and the Guardian Detroit Union...."

Section 2

Farm

Legisla-
tion

An editorial in Wallaces' Farmer for February 18 says: "As we go to press, farm organization leaders are still pressing for congressional action on the allotment plan and the refinancing bill, but the chances for their passage seem to be growing less....The domestic allotment plan, which passed the House a few weeks ago, was virtually discarded by the Senate agricultural committee last week. Instead of a bill that would include the major crops of which a surplus is sold abroad, the committee prepared a measure limited to wheat and cotton. Instead of aiding the farmer to reduce production and so to raise prices, this new measure may not provide for control of production at all. Farm groups are now working to get the committee to reverse its action and to go back to the original plan favored by the farm organizations.

"The Robinson bill for refinancing farm mortgages has been having hard sledding also. There is a chance that action may be delayed on this while the Hull bill to give emergency relief is pushed through. The Hull bill is designed to advance delinquent interest and back taxes on mortgaged farms to companies holding these mortgages, provided they agree to postpone foreclosure for two years. As the bill was first written, it would not apply to Iowa, since it denies its benefits to states in which the legislatures have already taken action to postpone foreclosures."

Food Prices

Retail food prices in 51 cities of the United States, as reported to the Bureau of Labor Statistics of the United States Department of Labor, showed an average decrease of about four per cent on January 15, 1933, when compared with December 15, 1932, and an average decrease of a little over 13 per cent since January 15, 1932. The bureau's weighted index numbers, with average prices in 1913 as 100.0, were 109.3 for January 15, 1932; 98.7 for December 15, 1932; and 94.8 for January 15, 1933. During the month from December 15, 1932, to January 15, 1933, the following articles decreased in average price for the month: Strictly fresh eggs, 19 per cent; butter, 10 per cent; margarine, 8 per cent; pork chops, 6 per cent; sliced ham and oranges, 5 per cent; rib roast, 4 per cent; sirloin steak, round steak, chuck roast, bread, rolled oats, pork and beans, and coffee, 3 per cent; plate beef, navy beans, and canned corn, 2 per cent; sliced bacon, canned red salmon, vegetable lard substitute, macaroni, canned tomatoes, tea, and raisins, 1 per cent; and cheese, less than five-tenths of 1 per cent. Increases were shown in the average price of the following: Cabbage, 16 per cent; lamb, 3 per cent; evaporated milk, 2 per cent; hens, 1 per cent; and wheat cereal and bananas, less than five-tenths of 1 per cent. The following articles showed no change in the month: Fresh milk, lard, flour, corn meal, corn flakes, rice, potatoes, onions, canned peas, sugar, and prunes. During the month from December 15, 1932, to January 15, 1933, all cities from which prices were received showed decreases in the average cost of food. For the year period January 15, 1932, to January 15, 1933, all of the 51 cities showed decreases.

Land "The effect of speculation and increase in debts is
Specula- likely to bear more heavily upon the farmer than upon industry
tion because the speculation in land runs up the price and usually
 the debts of the farmers whereas such activities in stocks do not
 increase the indebtedness of corporations," declares John Fields,
 president of the Federal Land Bank of Wichita, in the current is-
 sue of Financing of Farming, the bank's periodical. "Profits
 taken by land speculators become a permanent part of the burden
 which must be borne by those who operate the land, whether all
 of the investment is their own capital or a large part, as is
 often the case, is represented by a mortgage taken to secure the
 profits of the land speculator. When periods of low yields or
 low prices for farm products, or of both as at present, continue
 for a considerable time, land values fall. The savings of farmers
 who bought too much farm with too little cash and too much mort-
 gage indebtedness are lost. Many industrious young farmers are
 having that painful experience now, but there is no help for them.
 Land values will increase only after prices of farm products in-
 crease. The situation of such farmers is much the same as that
 of those who bought stocks on margin. The margin has been wiped
 out by the decline...."

Nutrition The Medical Officer (London) for January 21 says: "At
and the recent twenty-first annual conference of educational associa-
Disease tions held at University College, London, Dr. M. O. Bircher-
Preven- Benner, of Zurich, gave an interesting address on the prevention
tion of disease by correct feeding. In opening he pointed out that
 in the search for the causes of the distress of the civilized
 world the part played by physiology had hitherto been ignored.
 Prosperity, increased pretension and scientific aberration had
 greatly augmented the consumption of meat per head; bacteriology
 had banned raw food and created canning; the consumption of re-
 fined sugar had risen to unprecedented heights; provisions made
 of whole cereals had largely been replaced by those made of fine
 flour; tea, coffee, cocoa and chocolate had become universally
 popular as a daily indulgence. These changes had led to new
 needs and to new habits and customs of nutrition. Stimulation
 and intoxication, instead of nourishment, ruled the palate to a
 hitherto unknown degree. People thought that they were better
 nourished by eating large quantities, or many different kinds of
 food, by 'snacks' and 'in-between' meals of a sweet or stimulat-
 ing nature....The dietetic properties of cow's milk were dimin-
 ished by the feeding of cows on whatever fodder produced the
 greatest quantity at the lowest cost....Continuing, Dr. Bircher-
 Benner said that valuable research was unfavorably received; dis-
 coveries like that of the causation of beri-beri with scorn and
 mockery. Weightier blows were needed to shatter and dethrone
 the great delusion. These followed at the beginning of the
 twentieth century. The famous Wisconsin experiment taught re-
 search that the chemical theory of nutrition ignored the dietetic
 qualities of foodstuffs--the chief point--and their effect upon
 the organism. Then research, realizing that a new working out
 of the problem was called for, began on a scale unparalleled in

the history of medicine. Step by step it laid bare the many gaps in what had hitherto passed for knowledge. A new complexion was given to problems of albumen and mineral elements, unknown factors now called vitamins were discovered, as well as the fact that slight changes in the qualities of foodstuffs altered their effects on the body and prejudiced health. Thus the way was prepared for a multitude of new ideas in a previously impenetrable territory--the causation of disease. To a far greater extent than was usually supposed illness was caused by erroneous feeding. The number of possible dietetic errors was large, and the ways in which they might be combined were manifold. Equally so were the resulting forms of disease....As malnutrition lessened the power of resistance to infection the disposition to catch cold also belonged to this period. Here Dr. Bircher-Benner acknowledged with deep gratitude the memorable work of English investigators--Haig, McCarrison, Mellanby and, in the United States, McCollum and many others...."

Tung Farm and Live Stock Record for February says: "Motoring Industry through Alachua, Marion, Citrus and Hernando Counties/I learned of The that the depression has had little effect on the growth of the South tung oil industry in those sections and, for that matter, this infant American industry seems to be enjoying a healthy expansion in all sections of Florida and in south Georgia. Tracts of land ranging from 100 to 1,000 acres have been purchased by prominent people from New England, Chicago, Kansas City and other cities and about 3,000 acres will be planted in Florida this winter. Parts of this acreage has already been planted and the land is being prepared for the balance...."

Section 3

Department of Agriculture says: "An editorial in The Wall St. Journal for February 21 says: 'There is little prospect at present for an early improvement in the foreign demand for our agricultural products as disorganized currency systems, exchange control, trade barriers and restrictions of all kinds are tending to hold back any appreciable revival in international trade.' This statement of fact, so uncompromisingly made, is from the United States Bureau of Agricultural Economics. After stating this fact it would have been well if the bureau had elaborated on the matter and shown how 'disorganized currencies' and the other things affect foreign trade and also domestic trade and prices. Prices are not a local or domestic matter, but are subject to world influences. The price of wheat or cotton in Liverpool is intimately connected with the prices received by the western or southern producers. Study of the wholesale commodity price indices of the different countries of the world shows that they are subject to the same influences. Exchange value of goods is expressed in terms of money, and in that sense money can be called a measure of value. Whether those values are expressed in terms of dollars, pounds, lire or other currencies, they must in terms of goods, relatively express the same thing. Gold is the standard by which the values are measured and thus approximate uniformity of prices is secured for international transactions. But if the currency of a country

is 'disorganized,' a polite term for inflation or depreciation, the price system is upset. One immediate effect is apt to be constant and often wide fluctuations in the value of that currency which render foreign trade highly speculative and hazardous. Another result is the depressing effect upon prices in other countries. If a great commercial nation begins to export goods cheaper than others and at the same time finds itself unable to buy more from other countries, that action must have an effect upon prices all over the world. That is just what is happening now.... Low prices, huge surpluses of farm products and widespread unemployment if given voice could make an eloquent plea for determined efforts to assist the depreciated currency countries back to the gold standard and stabilized exchanges."

Section 4

MARKET QUOTATIONS

Farm Feb. 21.--Grain: No.1 dark northern spring* Minneapolis 48 1/8 to 49 1/8¢; No.1 northern spring* Minneapolis 48 1/8 to 49 1/8¢; No.1 hard winter* Kansas City 43 1/2 to 44¢; No.2 hard winter* Kansas City 43 to 43 1/2¢; St. Louis 49 1/2¢; No.1 S.R. Winter St. Louis 51¢ (Nom.); No.2 S.R. Winter Kansas City 43 1/4 to 49¢ (Nom.); St. Louis 50 to 50 1/2¢ (Nom.); No.1 W. Wh. Portland 41¢; No.2 Am. Dur.* Minneapolis 42 1/4 to 45 1/4¢; No.1 Durum (Duluth) 46 1/4 to 48 1/4¢; No.2 rye Minneapolis 30 7/8 to 32 7/8¢; No.2 mixed corn Minneapolis 18 1/2 to 19 1/2¢; Kansas City 21 1/4 to 21 3/4¢; Chicago 24 3/4 to 25¢; St. Louis 23 to 23 1/2¢ (Nom.); No.2 white corn Kansas City 21 1/2 to 22¢; St. Louis 24 1/2¢ (Nom.); No.2 yellow corn Minneapolis 20 1/2 to 21 1/2¢; Kansas City 21 1/2 to 22¢; Chicago 25 1/4¢ (Nom.); St. Louis 24 1/2¢; No.3 yellow corn Minneapolis 20 to 20 1/2¢; Kansas City 20 3/4 to 21 1/2¢; Chicago 23 to 23 3/4¢; St. Louis 22 1/2 to 23¢; No.2 white oats Minneapolis 14 3/4 to 15 1/4¢; Kansas City 18 to 18 1/2¢; Chicago 17 to 17 1/2¢; St. Louis 17 1/4 to 17 1/2¢; No.3 white oats Minneapolis 14 to 14 3/4¢; Kansas City 17 to 18¢; Chicago 16 1/4 to 16 1/2¢; St. Louis 17¢; Special No. 2 barley Minneapolis 27 to 29¢; Chicago 32 to 35¢; No.1 flaxseed Minneapolis \$1.09 to \$1.11.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$4.50 to \$7; cows, good \$2.60 to \$3; heifers (550-750 lbs.) good and choice \$4.25 to \$5.75; vealers, good and choice \$4.50 to \$6; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.40 to \$3.50; 200-250 lbs. good and choice \$3.30 to \$3.50; 250-350 lbs. good and choice \$3.10 to \$3.35; slaughter pigs, 100-130 lbs., good and choice \$2.50 to \$3; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.15 to \$5.75.

*Prices basis ordinary protein.

Maine sacked Green Mountain potatoes 90¢-\$1.20 per 100-pound sacks in eastern cities; 45¢-48¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 67½¢-72½¢ carlot sales in Chicago; 46¢-50¢ f.o.b. Waupaca. New York Danish type cabbage \$14-\$17 bulk per ton in terminal markets; \$7-\$8.50 f.o.b. Rochester. Florida Pointed type 90¢-\$1.12½ per 1½-bushel hamper in the East. Texas Round type \$1.50-\$1.65 per western lettuce crate in Chicago; 70¢-75¢ f.o.b. Lower Valley points. New York and midwestern yellow varieties of onions brought 30¢-70¢ per 50-pound sack in consuming centers; 40¢-47½¢ f.o.b. Rochester. East Shore Maryland and Delaware Jersey type sweetpotatoes 65¢-\$1.10 per bushel tub in eastern cities. Tennessee Nancy Halls 50¢-60¢ in the Middle West. New York No.1, 2½ inches Rhode Island Greening apples 60¢-75¢ and McIntosh \$1.18 per bushel basket in New York City; Baldwins \$1.05-\$1.10 and Rhode Island Greenings 70¢ f.o.b. at Rochester.

Average price of Middling spot cotton in the ten designated markets declined 7 points to 5.89¢, per lb. On the corresponding day one year ago the price stood at 6.48¢. March future contracts on the New York Cotton Exchange declined 7 points to 5.95¢, and on the New Orleans Cotton Exchange declined 2 points to 5.96¢.

Wholesale prices of fresh creamery butter at New York City: 92 score, 19½¢; 91 score, 19¼¢; 90 score, 19¼¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10½ to 11¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 14 to 15¢; Standards, 13¾¢; Fresh Firsts, 13¼¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 45

Section 1

February 24, 1933.

STONE RESIGNS

James C. Stone, who has been chairman of the Federal Farm Board since the resignation of Alexander Legge, yesterday tendered his resignation to President Hoover, effective March 4.

In his letter to the President he urged that the board should be allowed to continue its functions in building up cooperative marketing. (Press, Feb. 24.)

FARM AID PLANS

The press today says: "A new leasing plan for farm relief sponsored by the Northwest Agricultural Committee, which would attack the surplus problem by paying farmers from \$1 to \$8 an acre to take up to 25 per cent of their lands out of production, will be presented to Congress soon, in the hope of immediate action, or at least careful consideration by the present session looking to adoption in the special session.... Under the program, farmers, through leases running for one year and subject to renewal, would be compensated by the Federal Government for letting a part of their land lie idle, and also would benefit from price increases resulting from removal of surpluses from the market. The scheme contemplates average reduction of acreage of basic surplus crops of at least 15 per cent, taking about 50,000 acres out of production...."

WHEAT RAIL RATES

The press today states that railroads east of Buffalo have tentatively agreed to lower the freight rate on wheat from Buffalo to New York to $4\frac{1}{2}$ cents a bushel from the present rate of 9.1 cents, it was learned February 23. The report says: "Rates to Philadelphia and Baltimore are also included in the agreement and would be one-half cent per hundred pounds less than the $4\frac{1}{2}$ cent tariff, under this arrangement. Adoption of the lower rate is contingent upon willingness of the Buffalo elevator interests to reduce their charge for elevation from 1 cent to $\frac{1}{2}$ cent a bushel. Unless a hitch develops, the new schedule will become effective on April 15."

MICHIGAN BANKS

A Detroit dispatch today says: "A sweeping reorganization of Detroit's financial set-up developed last night as a proposed short cut to solution of financial difficulties that ten days ago placed 530 Michigan banks on holiday schedule and tied up approximately a billion and a half dollars. The banking holiday theoretically ended yesterday, but throughout Detroit and lower Michigan, where the moratorium was effective, most of the banks opened their doors under stringent restrictions proclaimed by Gov. William A. Comstock. In the main, withdrawals were limited to 5 per cent or less, and business otherwise was on an emergency basis....."

FRASER AS WORLD BANK HEAD

A Basle, Switzerland, dispatch states that the Bank for International Settlements announces that the board has unanimously elected Leon Fraser of the United States to succeed Gates W. McGarrah as president, when the latter retires in May.

Section 2

British
Milk Mar-
keting

The Lancet (London) for February 11 says: "The medical profession is unanimous in its advocacy of milk as part of the diet, provided it is clean and free from infection; but, owing to doubts as to the quality of some of our milk-supplies, it has, on the whole, hitherto thrown its influence against rather than for an increase of milk consumption. This sentence is taken verbatim from page 64 of the report, which appeared on Monday, of the Milk Commission appointed last April by the Minister of Agriculture under the Agricultural Marketing Act; and the commissioners, of whom Sir Edward Grigg is chairman, are of opinion that nothing can better serve the health of the community--and incidentally the interests of the milk industry--than the removal of these doubts. Contrariwise, a sympathetic understanding, on the part of the medical profession, of the position of the producer and distributor is eminently desirable for the speedy solution of the problem of a pure milk-supply. Perhaps the most formidable obstacle to its attainment is the plea of the producer that he gets so little money for his milk that he can scarcely make a living out of its production, with the corollary that it is a sheer impossibility for him to do more than he does now in the way of providing healthier stock, more hygienic premises, or greater cleanliness in collection and transmission of milk...."

Building
Permits

There was an increase of 39.6 per cent in indicated expenditures for total building operations comparing permits issued in January, 1933, with those issued in December, 1932, according to reports received by the Bureau of Labor Statistics of the United States Department of Labor, from 351 identical cities having a population of 25,000 and over. Indicated expenditures for all building operations for which permits were issued in these cities for January totaled \$42,826,707. Comparing January with December, there was an increase of 2.7 per cent in the number but a decrease of 6.3 per cent in the indicated expenditures for new residential buildings. New nonresidential buildings increased 3.9 per cent in number and 55.0 per cent in indicated expenditures. Additions, alterations, and repairs increased 10.1 per cent in number and 18.2 per cent in indicated expenditures. During January, 1933, 1,188 family-dwelling units were provided in new buildings. This is a decrease of 1.9 per cent as compared with December, 1932. Various agencies of the United States Government awarded contracts during January for buildings to cost \$16,588,489. This is nearly \$5,000,000 more than the value of contracts awarded during December, 1932, and approximately \$9,000,000 more than the value of contracts awarded by the Federal Government during January, 1932. Comparing permits issued in 350 identical cities, with January, 1932, and January, 1933, there was a decrease of 55.7 per cent in the number and a decrease of 69.5 per cent in the estimated cost of new residential buildings. New nonresidential buildings decreased 30.3 per cent, and the indicated expenditures for this class of building increased 11.7 per cent.

Chase on
Money

Stuart Chase, writing under the title "World Without Money" in Scribner's for February, reveals the conflict between the real world and the money world. He says: "It is probable that within the next few years America will be forced to revolutionize its medium of exchange. The money and credit system as we have known it is sinking rapidly. There may be one more inflationary boom in it and there may not. The debt structure, reared to such majestic heights over the last century on the galloping principle of compound interest, has about reached its zenith, and its only future course is apparently downward--probably precipitately, with an interest rate of zero as its final goal. Purchasing power, which has lagged so alarmingly behind production in recent years, is at last entangled on the brink of a chasm too vast to be bridged by any fiscal methods falling under the head of business as usual. The dollar indeed has lost all dignity as a useful medium of exchange by virtue of its wanton and scandalous disregard of common physical standards....Yet Americans, without exception, find it exceedingly difficult to think of economic activity in other than dollar terms...We have become definitely pathological about money. We can see economic activity--food, shelter, clothing and comforts--in no other terms. If the cost in dollars is more than dollars in hand, there is no choice but nakedness and starvation....What if the dollar does evaporate? Here are the fields, the mines, the oil wells, the factories, the power lines, the transportation facilities, the warehouses, the shops, the office buildings, the piled inventories of goods....One way back to a sanity is to look at economic history with dollar signs omitted. One can think about wages, interest rates, prices, profits, net worth, income accounts, supply and demand--but one can not look at them. The eye will see nothing beyond ink marks on folios, meaningless to, say, an intelligent Martian. The eye can see, however, the movement of men and materials in the real world. Suppose that we possess an eye so powerful that it can comprehend the whole continent of North America. Suppose that we have a sort of Einsteinian time machine which can revolve that eye back through the last generation. Suppose we set the controls at the year 1914, take an inventory, and then proceed, slow motion, to 1933....The human craving for power and prestige will be satisfied not in cash accumulation, but in industrial management, central planning, invention, pure science, art, literature, medicine, statesmanship, architecture, engineering, education....Your dollar is apparently doomed to death; next year, or in the next depression, it makes little difference...."

Science and
Textiles

Nature (London) for February 4 says: "Speaking on January 26 on the textile industry in the course of lectures on industrial affairs which are being given to the students of the Imperial College of Science and Technology, Dr. Kenneth Lee expressed his belief that the rapid development of scientific research will prove the best investment the textile industry can make. The British Cotton Industry Research Association has undoubtedly the best equipped textile research institute in the world, but although about eighty per cent of those engaged in

production contributed to it, in relation to the magnitude of the industry the amount subscribed is negligible. Dr. Kenneth Lee believes that if the necessary financial support is forthcoming, we could dominate to a large extent the cotton textile field in the production of new inventions during the next few years. In addition to utilizing science, the cotton industry must also employ men in its mills who can understand the work that science is doing. Dr. Kenneth Lee referred in particular to the way in which science, by introducing means of artificial humidification and ventilation, has not only discounted what was once supposed to be a great advantage of the Lancashire industry--its damp climate--but has made it possible to obtain uniform conditions throughout the year with higher output and more efficient use of automatic machinery."

West Indian Tropical Agriculture (Trinidad, West Indies) for Feb-
Agricul- ruary says: "Mr. Stockdale, the Agricultural Adviser to the Sec-
ture retary of State for the Colonies, made a prolonged tour of the
British West Indies and the other British Colonies in the Carib-
bean area during the first half of 1932, and the results of his
observations and inquiries are embodied in a recently published
Report addressed to the Chairman of the Colonial Advisory Coun-
cil of Agriculture and Animal Health. During his stay in Trini-
dad, Mr. Stockdale took the opportunity of inquiring very thor-
oughly into the activities of the Imperial College of Tropical
Agriculture which, he points out, is now called upon to perform
the following duties: (a) to provide an agricultural training up
to diploma standard for residents in the Caribbean area, (b) to
undertake advisory work for the Windward and Leeward Islands
of the West Indies, (c) to function in a consultative capacity
for West Indian Colonies with strong Agricultural Departments,
such as Trinidad, British Guiana and Barbados, (d) to provide a
post-graduate training under tropical conditions in tropical
agriculture and agricultural sciences, (e) to provide for long-
range research into problems connected with certain tropical
crops. The first three functions are required for the develop-
ment of West Indian agriculture, whilst the last two are clearly
Imperial in character....Mr. Stockdale has many interesting
things to say about the various colonies which he visited. He is
in the unique position of having served in these colonies 20
years ago, and is, therefore, particularly well able to assess
any changes. In his opinion progress has been made in almost
all the colonies and in many of them, he states, this progress is
considerable. His report, throughout, contains an urgent plea
for cooperation. For example, the position of the Sea Island
cotton industry can best be tackled if the West Indies will form
a Growers' Association responsible for standardization in quality
of exports and for the enforcement of quota restrictions when
necessary. Also, with regard to the newly established fruit and
vegetable industry, there is need for a West Indian Producers'
Organization to insist on equivalent standards with regard to
quality and packing, and to take up the question of markets.
Again, the ultimate aim of the various organizations that have

been started in connection with grapefruit and other citrus export trades should be their federation into an influential West Indian Citrus Producers' Association. These ideas are eminently sound and it is to be hoped that they will soon be consummated. There is no doubt that there has been more movement in the direction of cooperation along these lines in the last five years than in the previous fifty. The existing state of the world's markets for agricultural produce coupled with the keen competition is moreover forcing producers in the West Indies to combine as elsewhere, and, through the force of circumstances, they are beginning to realize the true meaning of the old saying 'united we stand, divided we fall.'"

Section 3 MARKET QUOTATIONS

Farm Products

Feb. 23.--Grain: No.1 dark northern spring* Minneapolis 47 5/8 to 48 5/8¢; No.1 northern spring* Minneapolis 47 5/8 to 48 5/8¢; No.1 hard winter* Kansas City 43 1/2 to 44¢; No.2 hard winter* Kansas City 43 to 43 3/4¢; St. Louis 49¢; No.1 S. R. Winter St. Louis 51¢ (Nom.); No.2 S.R.Winter Kansas City 43 1/2 to 49¢ (Nom.); St. Louis 50 to 50 1/2¢; No.1 W. Wh. Portland 41¢; No.2 Am. Dur.* Minneapolis 41 3/8 to 44 3/8¢; No.1 Durum (Duluth) 45 3/8 to 47 3/8¢; No.2 rye Minneapolis 30 1/2 to 32 1/2¢; No.2 mixed corn Minneapolis 18 to 19¢; Kansas City 21 to 21 1/2¢; Chicago 24¢ (Nom.); St. Louis 23 1/2 to 24¢ (Nom.); No.2 white corn Kansas City 21 to 21 1/2¢; St. Louis 23 1/2 to 24¢ (Nom.); No.2 yellow corn Minneapolis 20 to 21¢; Kansas City 21 1/4 to 21 3/4¢; Chicago 24 1/2¢; St. Louis 24 1/2 to 25¢; No.3 yellow corn Minneapolis 19 to 20¢; Kansas City 20 1/4 to 21 1/4¢; Chicago 22 1/2 to 23 1/2¢; St. Louis 22 1/4 to 23¢; No.2 white oats Minneapolis 14 1/2 to 15¢; Kansas City 17 1/2 to 18¢ (Nom.); Chicago 16 3/4 to 17¢; St. Louis 17 1/4¢; No.3 white oats Minneapolis 13 3/4 to 14 1/2¢; Kansas City 15 1/2 to 16 1/4¢; St. Louis 16 3/4¢; Special No.2 barley Minneapolis 27 to 28¢; Chicago 32 to 35¢; No.1 flaxseed Minneapolis \$1.07 3/4 to \$1.09 3/4.

Livestock: Slaughter cattle, calves and vealers; steers (900-1300 lbs.) good and choice \$4.50 to \$7; cows, good \$2.60 to \$3; heifers (550-750 lbs.) good and choice \$4.25 to \$5.75; vealers, good and choice \$5 to \$6.75; feeder and stocker steer (500-1050 lbs.) good and choice \$4.50 to \$6; 160-200 lbs. good and choice \$3.50 to \$3.65; 200-250 lbs. good and choice \$3.50 to \$3.65; 250-350 lbs. good and choice \$3.30 to \$3.55; slaughter pigs, 100-130 lbs., good and choice \$2.85 to \$3.35; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$5.65.

*Prices basis ordinary protein.

Maine sacked Green Mountain potatoes ranged 90¢-\$1.20 per 100 pounds in eastern cities; 45¢-48¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-75¢ carlot sales in Chicago; 47¢-50¢ f.o.b. Waupaca. New York and Midwestern yellow varieties of onions brought 35¢-65¢ per 50-pound sack in consuming centers; 40¢-45¢ f.o.b. Rochester and few 40¢-42½¢ f.o.b. West Michigan points. New York Danish type cabbage \$15-\$18 bulk per ton in terminal markets; \$6-\$9 f.o.b. Rochester. Florida Pointed type 90¢-\$1.15 per 1½-bushel hamper in the East. Texas Round type \$1.60-\$1.75 in Chicago; 85¢ f.o.b. Lower Valley points. New York No.1, 2½ inches, Rhode Island Greening apples 75¢-85¢ and McIntosh \$1.12½ per bushel basket in New York City; Rhode Island Greenings 70¢-75¢ f.o.b. Rochester.

Average price of Middling spot cotton in the ten designated markets declined 3 points to 5.86¢ per lb. On the corresponding day one year ago the price stood at 6.68¢. March future contracts on the New York Cotton Exchange declined 3 points to 5.92¢, and on the New Orleans Cotton Exchange declined 7 points to 5.89¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¼¢; 91 score, 19¢; 90 score, 19¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10½ to 11¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 14½ to 15½¢; Standards, 14 to 14¼¢; Fresh Firsts, 13½ to 13¾¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 46

Section 1

February 25, 1933.

POSTAL SUPPLY BILL The press today says: "The Senate yesterday turned down the report of its conferees on the Treasury-Post Office bill, and left the huge supply measure, economy rider and all, high and dry on an already overcrowded Senate calendar. An attempt will be made today to send the bill back to conference, in hope of salvaging, before the session closes, at least the supply feature, and the broad authorization for Franklin D. Roosevelt to reorganize the Government...."

MARYLAND BANKS CLOSE A Baltimore dispatch today says: "A proclamation declaring today a legal holiday, and a statement that daily proclamations would be given to make Monday and Tuesday legal holidays, were issued late last night by Gov. Albert C. Ritchie to close every bank and financial institution in Maryland until Wednesday morning. Heavy withdrawals, principally on Baltimore banks this week, was given as the reason for the governor's action in declaring the holidays...."

ILLINOIS FARM SALE BLOCK A Kankakee, Ill., dispatch says: "Three hundred farmers pulled a master in chancery from the rostrum February 18 and prevented a foreclosure sale of a farm owned by James Leutloff. When the bidding was about to open, the crowd of farmers evicted Donald Gray, the special master, and made known the conditions they demanded for settlement of the mortgage....The mortgage for \$11,000 was held by the Northwestern Mutual Life Insurance Company of Milwaukee. The farmers demanded that the principal be reduced to \$5,000 and that any foreclosure sale be postponed indefinitely pending the enactment of the Frazier bill providing a legal interest rate of $1\frac{1}{2}$ per cent on farm mortgages. This was the second forcible prevention of a farm mortgage sale in Kankakee County last week...."

FEDERAL SAVING ON PAPER The press states that a decline in the cost of newsprint used by the Government Printing Office will save the Government \$10.80 a ton this year. The report says: "The new contract, operative March 1, calls for 1,500 tons at \$35.80 a ton, as compared with \$46.60 a ton in the preceding calendar year, both prices f.o.b. Washington. Purchasing officials said that the contract was awarded to a northern New York mill and that it was for American paper made from American pulp. Under the contract the Government may take 50 per cent additional tonnage or cut under the specified tonnage."

POTASH DEPOSITS Large potash deposits in New Mexico recently discovered by United States geologists now have reached a stage of production which makes the United States completely independent of any foreign potash for the first time in its history, it was reported at New York yesterday at the closing sessions of the winter convention of the American Institute of Mining and Metallurgical Engineers by H.I. Smith of the United States Geological Survey. (Press, Feb. 24.)

Section 2

City-to- Movement of unemployed from cities to farms, in progress
Farm Move- now for two years, has stemmed the decline in rural popula-
ment tion which had been under way for ten years. Gain in farm popu-
lation during the last two years is estimated at 648,000. Esti-
mates for New York State are that the emigrants to the farms bal-
ance those driven away by labor-savin devices. In Pennsylvania
there has been an increase in percentage of families engaged in
agriculture. In Arkansas a survey shows that farm families have
increased greatly. Lake County, Indiana, has made the farm and
garden movement a part of its relief work. The State furnished
plants and seeds, and with the aid of local industries sent trac-
tors to the land. Motor trucks were provided to haul garden
stuff. Federal Government sent bulletins of advice. Home econom-
ics staff of Purdue University helped. Result was 4,570 gardens.
Idea at Mission, Texas, is that unemployed families in cities be
settled on land that is now being cultivated and upon which debts
rest. Government would lend the money to buy land and money paid
would be used in retiring mortgage, or part of it. The loan
would be repaid to Government over a long period of years. (N.Y.
Times.)

Egg Pro- A Buffalo dispatch February 19 says: "L. A. Hazard, a
duction farmer living near North Evans, claims to have found the secret
Scheme of intensive egg production. He says that he frequently gets
two eggs a day from a hen and that he has reduced the cost of op-
erating his plant to about 8 cents a dozen eggs. His method is
to confine each hen by itself in a cage of limited dimensions.
The hen is provided with ample food and
water, but is never released. All the energy which the fowl gen-
erates is devoted to egg-laying. The hen is kept from exposure
to any of the numerous contagious diseases of fowls and from the
fatal quarrels common to hen yards. As no exercise is permitted,
the fowl never toughens its muscles, and even as an old hen still
provides tender meat for the pot when it no longer is profitable
as a layer of eggs."

Farm An editorial in The Ohio Farmer for February 18 says:
Women "The saddest and the bravest fight being made during this period
and of economic stress is being waged by the women and the children
Children on the farms of our Nation. When the war is over and the victory
is won, as in every other war, these folks who have battled un-
seen behind the lines for the American standard of living will
certainly deserve recognition. With resources limited by the
prices paid for farm products and the 'take' of the tax collector
the farm wives and mothers have given as fine an example of in-
genuity in making the family income do double and triple duty as
we have ever seen. The pioneer women who helped their husbands
and fathers conquer the wilderness had no harder problem than the
farm women of these more complicated days...."

Farmers' Week in Michigan An editorial in The Michigan Farmer for February 18 says: "The fact that a new attendance record of nearly 20,000 was established during Farmers' Week at Michigan State College is very significant. It indicates the popularity of the event and speaks well for those responsible. It shows that the citizens of Michigan, as a whole, have faith in the institution. And it proves there is undying hope for the future of agriculture."

Florida Forestation An editorial in The Florida Times-Union for February 17 says: "At present, as well as for some time past, very much of encouragement is being given to the promotion of forestry work in this State. This encouragement comes principally through co-operation that is being given in Florida in the matter of forest protection and extension....It is encouraging to note, as stated recently by the Florida Forest Service, that this efficient and worth-while organization now is cooperating with 240 Florida land-owners for the control of promiscuous woods burning. Of this number, the Florida Forest Service says, 40 are turpentine operators who are cooperating by plowing fire lines and suppressing accidental fires, as a protective measure. Many of these naval stores operators, it is reported from the same source, declare that the flow of gum has increased and that higher grades of rosin are being produced on land where fires are not permitted to burn. ...Thus it is to be seen that exceedingly good results are being secured through proper protection of Florida forests...."

Highway Transportation An editorial in Farm and Ranch for February 15 says: "In regulating the commercial use of public highways, first consideration should be given to the safety of the public. This form of transportation should not be permitted to monopolize the highways, neither should the lives and property of the people be endangered by the use of unsafe equipment, or by reason of the height and width of the load. Weight of load and width of tires should also be made to conform to such specifications as will protect the highway from undue wear and breakage. Many of these suggestions have already been considered by legislatures. The question of rates, however, continues to be a source of controversy. It has been suggested that possibly the railroads, with the help of the Interstate Commerce Commission, could greatly relieve the situation by overhauling and revamping their own rate system. There continues to be many inequalities in rail rates. Some commodities are carried at a loss which is made up by overcharging on some others. Some sections and some cities are favored by lower rates than others because of some imaginary natural advantage, or because of competition. Rates are not based on value of service, and that is what the railroads will have to come to if they compete with trucks unless unnatural and unjust rates are forced on motor transportation. In the end, however, the best and cheapest service will win."

New England Farmers An editorial in New England Homestead for February 18 says: "The Federal Land Bank of Springfield, Mass., does business with some 18,000 farmers. The bulk of these farmers have little or no indebtedness other than the first mortgage on

their property. New England farmers, as a whole, have paid their taxes and in spite of present reduced incomes they are meeting payments on their loans when due. In 1931, according to President E. H. Thomson, 'The local bank received 95% of all maturing instalments, including interest and principal, with approximately \$50,000,000 of mortgage loans outstanding in New York, New Jersey and the New England States. At the close of December, 1932, even with a very liberal policy of extensions followed during the year, over 70% of all borrowers had their loans in good standing.' New England agriculturists who are of the soil, farming on a sound basis, have demonstrated to the Nation that New England thrift, conservatism and good business management can carry them through even during the most depressed periods. Mr. Thomson states that the Springfield bank acquired title to 276 properties in the eight Northeastern States during the year ending November, 1932, and during same period sold 236 farm properties and realized 87% of its investment therein....While the farm mortgage problem is acute in the great mid-western agricultural states, it is of minor significance in old New England."

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 47

Section 1

February 27, 1933.

WALLACE FOR SECRETARY

An A.P. dispatch today from Hyde Park, N.Y., states that President-elect Roosevelt formally announced yesterday that Henry A. Wallace of Iowa would be his Secretary of Agriculture.

CONGRESSIONAL LEGISLATION

The press today says: "Doomed by constitutional edict to die at noon next Saturday, the last lame-duck session of Congress in the country's history, it appeared last night, already had ceased legislating, except for the passage of appropriation bills, the bankruptcy bill and possibly some further emergency banking measure. The domestic allotment farm relief bill, the beer bill, the bill making available \$300,000,000 more for relief of distress, the Glass banking reform bill and the Hull-Walcott bill for refinancing of farm mortgages were regarded in well-informed circles as dead and as tasks for the extra session of Congress, expected to be called in April....It appeared somewhat doubtful last night that all the appropriation bills would reach President Hoover before he steps back into private life. In some quarters the deadlock between House and Senate over the Treasury Post Office appropriation bill, with its economy and reorganization section, was regarded as insoluble....Experience in previous Congresses, however, has shown that as the hour of adjournment since the approaches controversies which seemed irreconcilable frequently are adjusted at the last minute. This is expected this week, especially in the case of the Treasury-Post Office appropriation bill....The revised bankruptcy bill is the unfinished business of the Senate. As reported by the Senate judiciary committee the provisions liberalizing the bankruptcy law for corporations and railroads were deleted from the measure passed in the House and provision for a system of conciliation commissioners for the extension and composition of farm debts was inserted. Efforts to restore the railroad section of the bill is being made by Senator Couzens but the bill's future is regarded as precarious. Senator Robinson of Arkansas, the Democratic leader, said he hoped for action on the Hull-Walcott mortgage refinancing bill, which has not passed the House...."

FORD AID

A Detroit dispatch today says: "Henry Ford last night threw his resources behind a plan to resolve the difficulties in the Detroit banking situation. He will subscribe for all the capital stock of two new banks to take over the liquid assets of the First National Bank and the Guardian National Bank of Commerce. Every share of stock will be owned by Mr. Ford and he will have the right to name his own board of directors and the officers of the two new institutions. The capitalization of the new bank to be financed by Mr. Ford out of the First National will be \$5,225,000; that of the bank to take over the Guardian assets, \$2,625,000...."

DUN AND BRAD- STREET MERGE

A New York dispatch today states that consolidation of the business of R. G. Dun & Co. and the Bradstreet Company, oldest and best-known credit rating agencies in the country, will become effective soon after March 1, it was formally announced yesterday. The Dun company will acquire the assets of the other.

Section 2

Buffalo An editorial in The Rural New-Yorker for February 11 says: in Canada "Twenty-five years ago, as the buffalo threatened to become extinct, the Canadian government put 700 head in national parks. These have increased so that they are a source of revenue, a surplus of 1,200 having been slaughtered in recent months, making about half a million pounds of meat, in addition to the skins, used for rugs and robes and heads mounted for sale. The park herds now amount to 6,000."

California An editorial in California Cultivator for February 18
Production says: "Elsewhere in this issue is a brief summary of the 1933 farm outlook for 27 of California's most important crops as forecast by economists of the college of agriculture. While mostly of a pessimistic trend there are some bright spots in the report that offer a ray of hope for producers of some of these crops provided they are not already so far in the red as to preclude any chance of hanging on just a little while longer. Generally speaking those fruit crops that have suffered most during the past few years appear to be the ones promising the earliest recovery, while those that have to date suffered the least from surplus production and low prices appear to have more trouble in store for them unless growers of such commodities see the handwriting on the wall, so to speak, and begin doing those things, such as removing marginal acreage, reducing production and marketing costs and restricting or regulating shipments, that growers of the more distressed crops have already been forced to do. Many of the more distressed fruit crops have already reached the peak in their production and are either more or less stationary or are declining in production so that unless new plantings are made, which are not likely under present price conditions, such crops may soon be again in balance with demand. Almonds, apricots, grapes, olives, peaches and plums are among the crops which either have about reached the production peak or are declining, while the production of apples, cherries, grapefruit, lemons, oranges; pears, prunes and walnuts is still on the increase. All of which just serves to substantiate our oft repeated statement that if agriculture is to ever be stabilized, some way must be found to check planting when prices are high, as it is the good years, not the bad ones that always start overproduction and its attending ills."

Celery An editorial in The Miami Herald for February 3 says:
Surplus "As with other agricultural products in a hungry world, there is an excess of celery. Or else the consumption is lacking. So while thousands are fed at relief stations, thousands beg for a meal, thousands grow thin from starvation, the food commodities lie unbought on the soil and the market. Celery, a healthy food, a welcome addition to the table, has collapsed in price, even in the middle of winter when there is no northern production. Early shipments have not netted the freight costs. In an effort to meet this situation the Florida Celery Shippers, Inc., report that cooperative and independent growers and shippers have agreed

to plow under one-third of their crops to reduce the supply. This means a lamentable loss to the grower in both his investment and labor....It is possible the trouble is not so much an excessive supply as a slackened demand due to lessened consumption. Millions today are buying only the staple and substantial foods, avoiding what has been regarded as the luxuries during the winter. If that is the case then plowing under the crop will not help materially. And if freight costs eat up the receipts, then something ought to be done about the expense of shipping. Even a stalk of celery is a complicated economic and agricultural problem."

Land Util-
ization

An editorial in The Weekly Kansas City Star for February 22 says: "The preservation of the fertility and productive capacity of the soil is the greatest agricultural problem which confronts the Nation. Excess production of cotton, corn and wheat has resulted from the use of land ill adapted to the purpose. If our system of farming was such as to preserve the soil from erosion and loss of fertility through the removal of crops production would be on a basis of domestic needs. Submarginal lands, capable of profitable production only when both production and prices are decidedly above the average and where climatic conditions permit the growth of trees should be devoted to forestry. In the subhumid sections where growth of trees is most difficult summer fallowing may be practiced to an advantage. Areas on which it is impossible either to grow trees or to obtain good yields from summer fallowing should be abandoned as waste land incapable of profitable use. Marginal lands which are capable of profitable production only when either prices or yields are above the average, will as a rule, grow grass and legumes. Such lands are for the most part subject to excessive soil erosion. Seeding them down to crops which will form a sod will stop most of the loss from both sheet erosion and gullying. The elimination of submarginal land and better management of marginal areas would take out of production a tremendous acreage of land now producing corn, wheat and cotton. This land as it is now used can not support a family in normal times, but does add materially to the burdensome surpluses of crops which make up the bulk of agricultural exports. Land utilization is a problem which demands the attention not only of those who are actually engaged in farming, but of non-agricultural groups who are interested in the preservation of the soil for the use of future generations."

Local Gov-
ernment

"Where the People Rule" is the title of an editorial in The Country Gentleman for March. This says: "One fact is coming to stand out in the tax situation in this country. Local government, which is within closest reach of the people, has reduced taxes and tax spending much more in proportion than have the state and Federal governments. What has happened in Tama County, Iowa, is fairly representative. District school taxes have been lowered from \$429,190 in 1930 to \$354,629 in 1932. Corporate and township taxes went down from \$102,922 to \$81,942 in the same period. And county taxes dropped from \$461,233 to

\$320,715, or a total reduction of thirty per cent. From Dallas County, Iowa, it is reported that 'We took off over fifteen per cent in 1931 and a little over twenty per cent for 1932, reducing over one-third in two years.' Weld County, Colorado, states: 'The amount levied for all purposes in 1929 was \$3,243,121.22; for 1932 it was down to \$2,026,096.54.' This is a reduction of thirty-seven per cent. The county tax in Woodson County, Kansas, has been lowered from thirty-six cents on \$100 valuation in 1930 to 23.5 cents in 1932, 'with substantial decreases in township and most rural school taxes.' In Chouteau County, Montana, taxes charged to the county treasurer for collection have been reduced from \$632,742.53 in 1929 to \$497,852.32 in 1932. Meanwhile the county's indebtedness of nearly one million dollars four years ago will have been cut one-half by the end of this fiscal year. Increased allowances for relief and poor funds have hindered further local tax cuts and there have been other stumbling blocks. 'Our cities have the hardest time reducing taxes because of their bonded indebtedness,' stated a Kansas county treasurer. 'I don't blame the farmers for complaining about taxes and a good many other things,' wrote a Montana county treasurer, 'but there are items of fixed expense, voted in good times, that are now out of our power to reduce.' Nothing can be plainer than why these tax cuts are taking place. 'The taxpayers league is having wonderful results,' stated the county treasurer of Buena Vista County, Iowa. 'A great many taxpayers are making a study of their receipts and learning that tax reduction, like charity, begins at home,' commented the county treasurer of Dodge County, Nebraska. 'These sweeping reductions in local taxes demonstrate something that it will pay people to note carefully and remember. This is that tax control is a whole lot quicker and more effective when the institutions of government are close to home than when they are far off. One need look no further for the reason why every special-interest group wants to get control centered at the State capitals or at Washington. Then its particular privilege can be reached only indirectly, if at all, and its tax outlay is less exposed to the public will. There is something also in this reduction of local taxes that should serve as a notice to State legislatures and the Federal Government. It is that people want taxes reduced, and that they can be reduced.'

Michigan

An editorial in The Michigan Farmer for February 18 Tuberculosis says: "In their economy program it is to be hoped that the Eradica- State legislature will see no reason for slashing or eliminating tion the greatly reduced appropriation needed to carry on bovine tuberculosis eradication work. To discontinue the work would mean that the investment of cleaning up Michigan herds over a period of years would be for naught. Also, if the State loses its present standing of accreditation, in whole or part, it will cost dairymen who supply milk to Detroit and Chicago their market. Further, we will lose around a half million dollars annually paid by eastern dairymen for accredited animals raised here."

Wholesale
Prices

The Bureau of Labor Statistics of the U. S. Department of Labor announces that its index number of wholesale prices for the week ending February 18 stands at 60.1 as compared with 60.2 for the week ending February 11, showing a decrease of two-tenths of 1 per cent. These index numbers are derived from price quotations of 784 commodities, weighted according to the importance of each commodity and based on average prices for the year 1926 as 100.0.

Section 3
MARKET QUOTATIONS

Farm
Products

Feb. 24.--Grain: No.1 dark northern spring* Minneapolis 48 to 49¢; No.1 northern spring* Minneapolis 48 to 49¢; No.1 hard winter* Kansas City 43 3/4 to 44 1/4¢; No.2 hard winter* Kansas City 43 1/4 to 44¢; Chicago 46¢; St. Louis 49 1/2¢ (Nom.); No.1 S. R. Winter St. Louis 51¢ (Nom.); No.2 S. R. Winter Kansas City 44 1/4 to 46 3/4¢; St. Louis 50 1/2¢; No.1 W. Wh. Portland 41¢; No.2 Am. Dur.* Minneapolis 41 1/2 to 44 1/2¢; No.1 Durum (Duluth) 45 1/2 to 47 1/2¢; No.2 rye Minneapolis 30 1/2 to 35 1/2¢; No.2 mixed corn Minneapolis 18 to 19¢; Kansas City 21 to 21 1/2¢; Chicago 23¢ (Nom.); St. Louis 23¢ (Nom.); No.2 white corn Kansas City 21 to 21 1/2¢; St. Louis 23¢ (Nom.); No.2 yellow corn Minneapolis 20 to 21¢; Kansas City 21 1/4 to 21 3/4¢; Chicago 24¢; St. Louis 24¢; No.3 yellow corn Minneapolis 19 to 20¢; Kansas City 20 1/2 to 21 1/4¢; Chicago 22 1/4 to 22 3/4¢; St. Louis 22 1/2 to 23¢; No.2 white oats Minneapolis 14 1/2 to 15¢; Kansas City 17 1/2 to 18¢; Chicago 16 1/4 to 17¢; St. Louis 17 1/4 to 17 1/2¢; No.3 white oats Minneapolis 13 3/4 to 14 1/2¢; Kansas City 17 to 17 1/2¢; Chicago 15 1/2 to 16 1/4¢; St. Louis 16 3/4 to 17¢ (Nom.); Special No.2 barley Minneapolis 26 to 27¢; Chicago 33 to 35¢; No.1 flaxseed Minneapolis \$1.07 1/4 to \$1.09 1/4.

Livestock: Slaughter cattle, calves and vealers; steers (900-1300 lbs.) good and choice \$4.50 to \$7; cows, good \$2.50 to \$3; heifers (550-750 lbs.) good and choice \$4.25 to \$5.75; vealers, good and choice \$5 to \$7; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.40 to \$3.60; 200-250 lbs. good and choice \$3.35 to \$3.60; 250-350 lbs. good and choice \$3.20 to \$3.40; slaughter pigs, 100-130 lbs., good and choice \$2.75 to \$3.25; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$5.65.

Maine sacked Green Mountain potatoes 90¢-\$1.20 per 100-pounds in eastern cities; mostly 45¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-75¢ carlot sales in Chicago;

*Prices basis ordinary protein.

47¢-50¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.50-\$1.75 per bushel crate in city markets; \$1-\$1.10 f.o.b. Pompano. New York Danish type cabbage \$15-\$18 bulk per ton in terminal markets; \$7 f.o.b. Rochester. Florida Pointed type \$1-\$1.12½ per 1½-bushel hamper in the East. Texas Round type \$1.65-\$1.85 per western lettuce crate in Chicago; 85¢-\$1 f.o.b. Lower Valley points. New York and midwestern yellow varieties of onions 35¢-70¢ per 50-pound sack in city markets; 40¢-48¢ f.o.b. Rochester and 40¢-42½¢ f.o.b. West Michigan points. Eastern Jersey type sweetpotatoes brought 65¢-\$1.10 per bushel tub in eastern cities. Kentucky and Tennessee Nancy Halls in bushel hampers 50¢-60¢ in Chicago. New York No. 1, 2½ inches, McIntosh apples \$1-\$1.25 and Rhode Island Greenings 73¢-75¢ per bushel basket in New York City; Baldwins \$1.05 and Rhode Island Greenings 70¢-75¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¼¢; 91 score, 19¢; 90 score, 19¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 10¼ to 11½¢; Single Daisies, 10½ to 11¢; Young Americas, 11 to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 14½ to 15½¢; Standards, 14 to 14½¢; Fresh Firsts, 13½ to 13¾¢.

Average price of Middling spot cotton in the ten designated markets advanced 9 points to 5.95¢ per lb. On the corresponding day one year ago the price stood at 6.61¢. March future contracts on the New York Cotton Exchange advanced 10 points to 6.02¢, and on the New Orleans Cotton Exchange advanced 10 points to 5.99¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 48.

Section 1

February 28, 1933.

FARM MORT- GAGE BILL

The press today states that farm mortgage moratorium legislation was dead for the session last night, killed by the Senate.

The report says: "So much opposition developed against the Hull-

Walcott bill, authorizing \$600,000,000 in Reconstruction Corporation

credit to enable mortgage holders to pay their borrowers' delinquent taxes, interest and installments, that leaders gave up hope of enactment before March 4 and laid the measure aside...."

ECONOMIC COM- MITTEE HEARING

The press today says: "Concerted world action, led by the United States, to break the stifling grip of depression was advocated yesterday before the Senate finance committee in its study of trade improvement methods. Opening the third week of its hearings,

through which Senate Democrats hope to obtain data for the incoming administration, with Alfred E. Smith to be heard today, committee members yesterday received suggestions from: Nicholas Murray Butler, president of Columbia University; Dick Smith, managing editor of the Kansas City Journal-Post; A. D. Noyes, financial editor of the New York Times; Fred P. Fairchild, Yale professor; A. W. Robertson, chairman of the board of the Westinghouse Electric & Manufacturing Co., and E. T. Weir, Pittsburgh financial and industrial leader. Smith and Fairchild, who appeared before the committee, called for war debt and tariff revision, in which they were joined by Butler....Noyes, who gave the committee a history of past depression and laid the roots of current economic ills in overexpansion and waste as the result of the World War, said: 'If there ever was a need for a world economic conference with a purpose to find the way out by frank and honest exchange of views, it is now.' Tariff and debt concessions, he said, would help open up world trade channels. Butler and Smith also urged armament reduction...Virtually all called for a balanced budget as essential to the restoration of public confidence. Butler advocated giving the President broad powers to reorganize the Government and authority under a general statute to handle 'petty legislative details' that now tie up Congress...."

EMERGENCY BANK- ING ACTION

An editorial in The Washington Post today says: "Two more States are involved in banking difficulties. A number of institutions in both Ohio and Indiana have found it necessary to limit

withdrawals temporarily until legislation can be enacted for the pro-

tection of depositors. In Maryland Governor Ritchie is hastening the enactment of protective legislation before the bank holiday comes to an end on Wednesday. The situation in Michigan has been substantially improved with the aid of Henry Ford, who is advancing \$8,250,000 in new capital to the two large banks which are undergoing reorganization. In each case constructive measures have been taken to avoid losses. Withdrawals were halted before the assets of the banks could be depleted by timorous depositors. Any other course would have meant disaster. Under the restrictions being worked out depositors in honestly managed banks may expect to obtain their funds. Banking difficulties in one State lead to difficulties in other States...."

Section 2

Business Conditions The Business Week for March 1 says: "Business men in general, irrespective of party, think the most hopeful event of the immediate future is the accession of a new administration, with an overwhelming popular backing and a clean slate...The new regime has every reason to deal with the emergency vigorously and promptly....Vigorous action certainly is needed; recovery is a Government problem, now....Michigan's banking moratorium has distorted many of the important business statistics. Currency outstanding of course went up sharply, due to shipments of cash to a great industrial state deprived of checking facilities. Commercial loans increased in the New York area, representing borrowings to meet the emergency. Even abroad, the news was badly received, depressing European markets....Retail trade runs below 1932 levels, which again may be traced in part to Michigan...Re-opening of the State's banks, though under severe restrictions, no doubt will help the situation....Improvement in steel activity appears to depend to a considerable degree upon the outcome-- automobile demand has been the backbone of steel orders...Private construction is expanding moderately, but not enough to offset the drop in public works, which now reflects the full force of economy programs....Cold weather stimulated coal production and increased railroad traffic but movement of manufactured goods lagged perceptibly....Another effort of steel producers to remedy the flabby price structure has resulted in some stiffening of quotations."

Foreign and Domestic Markets An editorial in The Wall St. Journal for February 25 says: "In a Senate committee hearing, while a witness was giving his views favoring the leasing by the Government of a certain percentage of farm acreage and removing it from production, a member of the committee made this statement, 'Interstate trade among 48 states, with one hundred and twenty odd millions of people, is far more important than our foreign trade, however important that may be.' The worst kind of a fallacy is one that is mixed with truth. Surely if it were necessary to choose between the market that takes 90 per cent of our production and the one that takes but 10 per cent the choice would be the larger one. But the domestic market does not take a straight 90 per cent of every class of production and leave but 10 per cent for the foreign trade. If it were as evenly distributed as that, the surplus problem would not be so acute. Instead, the domestic market takes less than half of some of our most important products, and in others from 50 to 80 per cent. In the five years between 1925 and 1929 the United States produced 75,300,000 bales of cotton, or an annual average of 15,260,000 bales. In those five calendar years a total of 43,300,000 bales were exported, or an annual average of 8,660,000 bales. The export market took 56.9 per cent of the production. In that same period production of wheat averaged 822,000,000 bushels per annum, of which 21 per cent was exported. Also in that time production of tobacco averaged 1,357,000,000 pounds of which 522,000,000 pounds or almost 40 per cent was exported. There are other agricultural products of which a large

percentage is exported. In the manufacturing field there are many producers who look to the foreign markets to absorb from 14 to 40 per cent of their products. They, in common with the producers of cotton, wheat, tobacco, lard and many other products will find no satisfaction in the fact that the domestic market consumes an average of 90 per cent of the total of the country's production when that market absorbs but from 50 to 70 per cent of what they produce. Furthermore, if these producers should be deprived of the markets that take a large percentage of their production, the domestic market must shrink in its consumptive power and all the other producers would find that even if it took 99 per cent of their production the total would not be as large as when the others were enjoying a normal foreign trade. The fact is that both the domestic and the foreign markets are of vital importance to our welfare."

Industrial Productivity An editorial in Barron's for February 27 says: "Highly interesting are the figures contained in Bulletin No. 45 of the National Bureau of Economic Research concerning industrial productivity and manufacturing costs during the depression. These are practically the first comprehensive statistics of the kind which refer to really recent times. They are, moreover, compiled in such form as to render easy comparison with years preceding. The year 1927 is taken as a convenient base. Estimates for 1932 are preliminary, subject to correction in the light of more complete data. In 1932 production of raw agricultural products was still 97% of that in 1927; one need look no further than this for an explanation of farm prices. Production of raw materials in 1932 was but 66% of 1927, and all 'raw material products' last year totaled 89% of the 1927 volume. Manufactured products were only 60% and 'construction' but 29% of 1927 figures. Combining all production--i.e., all physical output--in 1932, the volume was but 67% of 1927. As the Bulletin says: 'The mechanism of production has been slowed down during the current depression to a greater degree than at any other time within the last half-century.' It is clear that the present is a deeper 'valley' than any which has been traversed at any time since the modern economy came into being. Analyzing a little further the figures of production, it appears that products entering into 'capital equipment' in 1932 totaled but 36% of 1927. 'Consumption' goods can be divided into 'durable,' 'semi-durable,' and 'non-durable.' 'Durable' goods produced in 1932 were 34% of 1927, 'semi-durable' 75%, and 'non-durable' 89%. This is an illustration of the way in which the country has limited its purchases to commodities supplying the day-to-day needs; it also illustrates the extreme degree of elasticity in the demand for 'durable' commodities...."

Scottish Oat Market An editorial in The Scottish Farmer for February 11 says: "The matter of paramount concern to the arable farmers of Scotland today is the complete collapse of the market for oats--the staple crop of the country. The position is aggravated by the subsidized imports of foreign oats and oat products, and in

view of the seriousness of the situation the Central Executive of the National Farmers' Union of Scotland last week appointed a deputation to go to London to lay the facts before the government and to demand a definite statement as to what the government intends to do with regard to imported oats and oatmeal. The deputation has practically the unanimous backing of the district branches of the union, many of which have already passed resolutions calling for prohibition of subsidized imports. The low price of those subsidized oats is probably more damaging than their volume in their effect on the British market. It can scarcely be said, in face of the Ministry of Agriculture's returns, that excessive imports are to blame for the fall in prices here. Britain's total imports of oats in 1932 were the lowest for some considerable time--323,000 tons in all, compared with 438,000 tons in 1931 and an average of 387,000 tons during the preceding five years. Moreover, of last year's imports 124,000 tons came from Canada and 158,000 tons from Argentina, leaving a total of only 41,000 tons from all other countries, including Germany. The present position with regard to subsidized imports as stated by one member of the N.F.U. Central Executive, is as follows:--Oats are selling in Germany at a price equivalent to 6 pounds one shilling and 8 pence a ton and oatmeal at 12 pounds, 3 shillings 4 pence a ton, and freight to this country costs about 1 pound a ton. Yet, through the operation of the export bounty system, German oats and oatmeal have been selling in Glasgow at 5 pounds 17 shillings 6 pence and 9 pounds a ton respectively--prices with which it is impossible for the farmers of this country to compete. As a result Scottish oats are selling at the lowest prices within living memory....In considering the question of oats it has to be kept in mind that the market is decreasing. Oatmeal does not enter into the diet of our people to the extent that it did formerly, and however much one may regret the disappearance of porridge from the breakfast table, that fact has been faced...."

St. Paul A St. Paul, Minn., dispatch February 27 says: "Loans
Credit and discounts by the Federal Intermediate Credit Bank of St. Paul
Bank increased slightly during last November and December compared to
the volume during the same months in 1931, being \$635,802 and
\$611,247 respectively. This business was transacted with the
agricultural credit corporations of Minnesota, Michigan, Wisconsin
and North Dakota. Since the bank was organized, according to its
president, F. H. Klawon, 184 lending agencies have received loans
or discounted notes with the bank of which 25 have been added
to the list in the last three years. The Federal Intermediate
Credit Bank makes loans to local financing institutions and dis-
counts their agricultural paper much in the same way that banks
which are members of the Federal Reserve System borrow from the
Federal Reserve banks," said Mr. Klawon. "Our activities, how-
ever, are by law confined to the agricultural field strictly; the
loans must have been made by the local institutions for agricul-
tural production or marketing purposes or for the feeding, rais-
ing or marketing of livestock. The farmers' contacts are made
directly with the local institutions and not with the Federal

Intermediate Credit Bank." The volume of discounts outstanding from the St. Paul bank on February 1 was \$8,957,366, compared to \$7,945,669 a year earlier, or an increase of \$1,011,697. With the reduction in interest rates made February 1, this paper is being handled at the lowest rate available since the bank was established in 1923. Farmers are being charged not to exceed 6 per cent interest by the credit corporations handling such loans.

Section 3 MARKET QUOTATIONS

Farm Feb. 27.--Grain: No.1 dark northern spring* wheat
Products Minneapolis 46 3/4 to 47 3/4¢; No.1 northern spring* Minneapolis 46 3/4 to 47 3/4¢; No.1 hard winter* Kansas City 43 1/4 to 43 1/2¢; No.2 hard winter* Kansas City 42 3/4 to 43 1/4¢; Chicago 46 to 47 1/2¢; St. Louis 49¢; No.1 S. R. Winter St. Louis 50¢; No.2 S. R. Winter Kansas City 43 1/2 to 47 1/2¢; St. Louis 49 1/2 to 50¢; No.1 W. Wh. Portland 39 1/2¢; No.2 Am. Dur.* 40 3/4 to 43 3/4¢; No.1 Durum (Duluth) 43 3/4 to 46 3/4¢; No.2 rye Minneapolis 31 1/8 to 33 1/8¢; No.2 mixed corn Minneapolis 17 to 18¢; Kansas City 20 1/2 to 21¢; Chicago 23 1/4¢ (Nom.); St. Louis 22 1/2¢ (Nom.); No.2 white corn Kansas City 20 1/2 to 21¢; St. Louis 23 to 23 1/2¢ (Nom.); No.2 yellow corn Minneapolis 19 to 20¢; Kansas City 20 3/4 to 21 1/4¢; Chicago 23 1/2 to 23 3/4¢; St. Louis 23 to 23 1/2¢; No.3 yellow corn Minneapolis 18 to 19¢; Kansas City 20 1/4 to 20 3/4¢; Chicago 21 3/4 to 22 1/2¢; St. Louis 21 1/2 to 22 3/4¢; No.2 white oats Minneapolis 14 1/8 to 14 5/8¢; Kansas City 17 1/2 to 18¢; Chicago 16 1/4 to 16 1/2¢; St. Louis 17¢; No.3 white oats Minneapolis 13 3/4 to 14 1/8¢; Kansas City 17 to 17 1/2¢; Chicago 14 3/4 to 15 3/4¢; St. Louis 16 1/2¢; Special No.2 barley Minneapolis 26 to 27¢; Chicago 33 to 35¢; No.1 flaxseed Minneapolis \$1.06 3/4 to \$1.08 3/4.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$4.75 to \$7.25; cows, good \$2.50 to \$3; heifers (550-750 lbs.) good and choice \$4.25 to \$5.75; vealers, good and choice \$5 to \$7; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.40 to \$3.60; 200-250 lbs. good and choice \$3.40 to \$3.60; 250-350 lbs. good and choice \$3.15 to \$3.45; slaughter pigs, 100-130 lbs., good and choice \$2.75 to \$3.25; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$5.65.

Maine sacked Green Mountain potatoes 90¢-\$1.15 per 100 pounds in eastern cities; few 45¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-75¢ carlot sales in Chicago; 48¢-51¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.50-\$1.75 per bushel crate in city markets; mostly \$1.10 f.o.b. Pompano.

*Prices basis ordinary protein.

New York Danish type cabbage \$13-\$18 bulk per ton in terminal markets; \$6-\$8 f.o.b. Rochester. Florida Pointed type \$1-\$1.25 per 1½-bushel hamper in the East. Texas Round type \$1.60-\$1.90 per western lettuce crate in Chicago; \$1-\$1.10 f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions brought 35¢-70¢ per 50-pound sacks in city markets; 48¢-50¢ f.o.b. Rochester and 37½¢-42¢ f.o.b. West Michigan points. New York Rhode Island Greening apples, No. 1, 2½ inches, 75¢-\$1; McIntosh \$1-\$1.25 and Spys \$1.12½ per bushel basket in New York City; Baldwins \$1.05-\$1.15 and McIntosh \$1.05 f.o.b. at Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18½¢; 91 score, 18¼¢; 90 score, 18¼¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10½ to 11¢; Young Americas, 11 to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16 to 16½¢; Standards, 15 to 15½¢; Firsts, 14 to 14¼¢.

Average price of Middling spot cotton in the ten designated markets advanced 4 points to 5.81¢ per lb. On the corresponding day one year ago stood at 6.57¢. March future contracts on the New York Cotton Exchange advanced 6 points to 5.90¢, and on the New Orleans Cotton Exchange advanced 2 points to 5.84¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 49

Section 1

March 1, 1933.

AGRICULTURAL
BILL-TO
PRESIDENT

The Senate yesterday adopted the conference report on the Department of Agriculture appropriation bill and sent the measure to the President, says the press today.

COTTON
RELIEF BILL

The press today states that by a vote of 188 to 133 the House yesterday passed the Smith bill, with amendments, providing for the relief of southern cotton planters through the purchase by the Government of all surplus cotton stocks now owned by Government agencies, or upon which money has been loaned, and their resale to farmers who agree to reduce cotton acreage this year by at least 30 per cent. The measure was approved by the Senate on February 18, but will go back there for final action.

STATE BANK
PROTECTION

The press today says: "Banks in several commonwealths functioned yesterday under the protective hands of their State governments, which exerted stabilizing influences through legislative and administrative acts. In six States, New Jersey, Kentucky, Indiana, Ohio, Pennsylvania and Arkansas, officials of banking institutions took advantage of safety valve measures sanctioning restricted withdrawals. Kansas legislators passed a bill permitting banks and creditors to formulate reorganization plans. In Pennsylvania emergency legislation, requiring banks to obtain authorization of the State banking secretary to limit payments of their holdings, was rushed. The Delaware Assembly enacted three laws designed to conserve banks' assets and protect depositors, while in Maryland Governor Ritchie announced extension of a banking moratorium which was to have terminated yesterday. After suspending operations for four hours while its trustees debated possible lines of action, the Cincinnati Stock Exchange reopened for trading. The West Virginia Legislature approved a bill permitting bank holidays, described by its sponsors as being necessary because of similar action in neighboring States."

SENATE ECONOMIC
CONFERENCE

The press today states that Alfred E. Smith of New York, at the hearing of the Senate committee on economics yesterday advocated recognition of Russia, a national highway construction program, to be financed by a bond campaign like those of the war, and a war-debt moratorium. He rapped inflation as a remedy which 'won't get us any place.'...

"Recognition of Russia was also urged by Miss Mary Van Kleeck of the Russell Sage Foundation, who followed Mr. Smith briefly. The Union of Socialist Soviet Republics was the only country in the world which offered a solidly expanding demand for goods which might be expected to continue, she asserted. Soviet dumping here could be prevented by extending credits to Russia to enable that country to buy from the United States...."

Section 2

Bovine

Tuberculosis in The Journal of the American Medical Association for February 18 says: "Again there is a struggle over the question of eradicating bovine tuberculosis as a health measure. In Iowa, organized resistance to the area test method has been rife for more than a year and has now flamed into aggressive action in connection with the resistance to foreclosure actions...Although most farmers and dairymen, recognizing the economic advantages as well as public health demands for tuberculosis-free cattle, favor the eradication of tuberculosis by the means described, there has been opposition. The opposition is grounded in a failure on the part of some farmers to comprehend the seriousness of the need for eradication of tuberculous cattle, plus a lack of understanding of the test itself and what it means. The sentiment against the test has been skilfully fanned by propagandists actuated by motives best known to themselves...Wiser heads among the dairymen and farmers know that, if statute law is rescinded, the inexorable force of economic law will compel testing sooner or later; for enlightened parents, demanding safe milk for their children, will assure that ultimately there will be no market for the products from untested herds. Repeal of the area test laws now in force would be unfortunate, for the progress made under them has gone far to eliminate tuberculosis in cattle and will go further to virtually complete success...."

Business

Conditions The following summary of general business and financial conditions in the United States, based upon statistics for the months of January and February was issued February 27 by the Federal Reserve Board: "Volume of industrial production increased in January by less than the usual seasonal amount and factory employment and payrolls continued to decline. Prices of commodities at wholesale, which declined further in January, showed relatively little change in the first three weeks of February.. Industrial activity, as measured by the board's index, which makes allowance for usual seasonal changes, declined from 66 per cent of the 1923-1925 average in December to 64 per cent in January, which compares with a low level of 58 per cent last July. Output of coal declined considerably, contrary to the usual seasonal tendency. Increases in activity in the cotton and silk industries were somewhat less than seasonal in amount, and there was a slight decline in production at woolen mills. Output of shoes increased seasonally. Activity in the steel industry showed a seasonal increase during January, and little change during the first three weeks of February. Automobile production, which had increased substantially in December, showed a further slight increase in January. Factory employment declined between the middle of December and the middle of January by considerably more than the seasonal amount. Decreases were reported in most lines except in the cotton, wool, and silk industries, where employment showed little change, and in the automobile and shoe industries, where employment increased. Construction contracts awarded were in about the same volume in January as in December,

according to the F. W. Dodge Corporation; in the first half of February the value of awards showed a decline. Volume of freight traffic was somewhat smaller in January than in December, reflecting a reduction in shipments of coal. Sales by department stores decreased after Christmas by more than the usual seasonal amount...."

Cuba to Promote Economics Joseph C. Rocca, writing on "Agricultural Policies in Cuba" in The Pan American Union for February, says: "A program of reforms was outlined by the President of the Cuban Republic in a report attached to a decree of March 29, 1928, which instituted a National Commission of Economic Defense (Comision Nacional de Defensa Economica) as a consulting organ of the Government in order to foster and to promote the economic development of the country. The report emphasized the necessity, for Cuba, of intensifying agricultural production in order to avoid the possibility of periodical crises in the sugar industry endangering the economic stabilization of the whole country. The present agricultural production is not sufficient for the needs of the population (the exports of sugar pay almost entirely for the heavy imports of foodstuffs and manufactured goods from the United States)....On the other hand, the Cuban Department of Agriculture is doing intensive work in educating the farmers to improve the quality of the products, as well as of the packing. Two experts have recently been sent to Canada in order to study the best methods of cultivating potatoes. It is worth while to mention the fact that in this matter also direct cooperation has been established between the two departments of agriculture, that of the United States and that of Cuba, with a view to preparing uniform rules on vegetable quarantine, etc. A special survey has been made in Cuba by experts of the United States Department of Agriculture on certain diseases of fruit and vegetables... There is no doubt that more vegetables and fruits could be produced in Cuba and exported to the United States in competition with similar products of Florida, taking advantage of the fact that, owing to the warmer tropical weather, most of them could arrive in the Atlantic northern ports some weeks in advance of Florida-grown crops. In winter, Florida and Cuba are already the chief sources of supply of tomatoes and other vegetables and fruits for the New York market, replacing almost completely western sources. For instance, exports of early grapefruit from the Isle of Pines amounted in 1928 to only 125,000 boxes, and according to a recent American consular report, they come on the United States market from four to six weeks earlier than Florida grapefruit, thus obtaining the advantage of early prices. For lack of transportation a great quantity of citrus fruits (oranges, lemons, etc.) is now abandoned in the fields, but still....the production of these vegetables and fruits has been slowly increasing in recent years...."

Kentucky Farm Loans During last November and December the Federal Intermediate Credit Bank of Louisville, Ky., made loans and discounts to financing institutions totaling \$416,636, compared to

\$179,916 during a like period in 1931. Among the reasons for this large increase, according to A. G. Brown, president of the institution, is the greater number of local financing institutions, including agricultural credit corporations, livestock loan companies and banks, which have done business with the bank during the year. There was an increase of 12 during 1932, bringing the number of new institutions availing themselves of the facilities of this bank during the last 3 years up to 106. The area served by the Federal Intermediate Credit Bank of Louisville shows more than twice as many institutions doing business with the bank during this period as any of the other eleven banks of the system. "The ability of the Federal Intermediate Credit Bank to make loans and discount agricultural and livestock paper for local lending institutions at an exceedingly low rate of interest," explained Mr. Brown, "contributed to the greater volume of business, but the lack of farm credit from other channels was an even greater factor...."

Lippmann Walter Lippmann, writing on "The Roosevelt Cabinet" in
on Af- the New York Herald Tribune for February 28 says: "...The composi-
fairs tion of the Cabinet would seem to confirm what the campaign in-
 dicated: That in respect to immediate measures in the crisis the
 Roosevelt administration will be liberal rather than inflationist
 and nationalist. It may be expected to attempt a policy con-
 sistent with, let us say, the recommendations of the experts of
 the world economic conference. Thus it should seek to bring
 about a rise of commodity prices by a composition of the debts,
 a lowering of tariff barriers, commercial agreements, currency
 stabilization, and the promotion of peace, these measures to be
 accompanied by a domestic policy based upon the resumption of
 investment under the stimulus of liberal credit arrangements, a
 balanced budget, and the reorganization, where necessary, of do-
 mestic indebtedness....The selection of Congressman Lewis Douglas
 as Director of the Budget is as good proof as could be offered
 that Mr. Roosevelt takes the deficit and its implications seri-
 ously. For Mr. Douglas is as knowing as he is courageous. But
 the administration is bound to be concerned not only with re-
 covery but with far-reaching reconstruction....These speculations
 should be used as mere speculations, remembering that the chief
 characteristic of these times is that events are more powerful
 than men. Any forecast must be qualified by the realization that
 the unexpected can not be discounted...."

Section 3

Department
of Agricul-
ture

An editorial in The Washington Post February 28 says:
"For the first time in history the cow steps into first place
as the greatest producer of farm wealth. Notwithstanding a de-
cline of nearly 50 per cent in the value of dairy products mar-
keted last year, the Bureau of Agricultural Economics reports
that the total from this source, \$1,180,000,000, led all other
divisions of farm production. Livestock, a classification which
includes cattle, hogs and sheep, long at the top, drops to second

money with a total for the year of \$1,122,000,000. In 1929 the income from this source was \$2,807,000,000, showing that live-stock has suffered the heaviest decline of all divisions of farm income. The cotton marketed last year brought only \$397,000,000, a loss of more than 70 per cent from four years ago, when the cotton income reached \$1,389,000,000. The farmer's income from grain also shows a 70 per cent decline. The crop in 1929 was worth \$1,288,000,000 and last year it brought only \$391,000,000. These figures make it plain why the farmer is having such a hard time to meet his fixed charges and why he isn't buying new machinery and automobiles as he did a few years ago. The output of industry in many lines has been equally hard hit, largely because of the reduced buying power of the agricultural population. Depression works its woes in an endless circle that affects all classes. Since the lowly cow has now come into her own as the chief producer of wealth, so far as official statistics are available, it would also be interesting to know what position the even more humble but omnipresent hen occupies in the farm budget."

Section 4 MARKET QUOTATIONS

Farm Products

Feb. 28.--Grain: No.1 dark northern spring* Minneapolis 47 1/8 to 48 1/8¢; No.1 northern spring* Minneapolis 47 1/8 to 48 1/8¢; No.1 hard winter* Kansas City 42 3/4 to 43¢; No.2 hard winter* Kansas City 42 1/4 to 42 3/4¢; Chicago 47 3/4¢; St. Louis (Nom.); No.1 S.R. Winter St. Louis 50¢ (Nom.); No.2 S.R. Winter Kansas City 44¢; St. Louis 49 1/2¢; No.1 W. Wh. Portland 40¢; No.2 Am. Dur.* Minneapolis 41 to 44¢; No.1 Durum (Duluth) 45 to 47¢; No.2 rye Minneapolis 31 1/4 to 33 1/4¢; No.2 mixed corn Minneapolis 17 to 18¢; Kansas City 20 1/4 to 20 3/4¢; Chicago 22 3/4¢; St. Louis 21 1/2 to 22¢ (Nom.); No.2 white corn Kansas City 20 1/4 to 20 3/4¢; St. Louis 22 to 23¢ (Nom.); No.2 yellow corn Minneapolis 20 to 20 1/2¢; Kansas City 20 1/4 to 20 3/4¢; Chicago 23¢; St. Louis 22 1/2 to 23¢; No.3 yellow corn Minneapolis 19 to 19 1/2¢; Kansas City 19 3/4 to 20 1/4¢; Chicago 21 1/4 to 22 1/4¢; St. Louis 21 1/2 to 22 1/2¢; No.2 white oats Minneapolis 14 to 14 1/2¢; Kansas City 17 to 17 1/2¢; Chicago 15 3/4¢; St. Louis 16¢; No.3 white oats Minneapolis 13 1/4 to 14¢; Kansas City 16 1/2 to 17¢; St. Louis 15 1/2¢; Special No.2 barley Minneapolis 26 to 27¢; Chicago 32 to 35¢; No.1 flaxseed Minneapolis \$1.07 to \$1.09.

Livestock at Chicago: Slaughter cattle, calves and vealers; steers (900 to 1300 lbs.) good and choice \$4.75 to \$7.25; cows, good \$2.50 to \$3; heifers (550-750 lbs.) good and choice \$4.25 to \$5.75; vealers, good and choice \$4.50 to \$6.50; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.40 to \$3.60; 200-250 lbs. good and choice \$3.40 to \$3.60; 250-350 lbs. good and

*Prices basis ordinary protein.

choice \$3.15 to \$3.45; slaughter pigs, 100-130 lbs., good and choice \$2.75 to \$3.25; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$5.60.

Maine sacked Green Mountain potatoes 92½¢-\$1.15 per 100 pounds in eastern cities; few 43¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-72½¢ carlot sales in Chicago; few 46¢-50¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.50-\$1.70 per bushel crate in city markets. New York Danish type cabbage \$15-\$18 bulk per ton in terminal markets; \$7-\$9 f.o.b. Rochester. Florida Pointed type \$1-\$1.25 per 1½-bushel hamper in New York City. Texas Round type \$1.75-\$1.85 per western lettuce crate in Chicago; \$1-\$1.15 f.o.b. Lower Valley points. New York and Midwestern sacked yellow varieties of onions 35¢-80¢ per 50-pounds in consuming centers; 50¢ f.o.b. Rochester and 40¢-45¢ f.o.b. West Michigan points. East Shore Maryland and Delaware Jersey type sweetpotatoes 75¢-\$1.10 per bushel tub in eastern cities. Tennessee Nancy Halls 50¢-55¢ in Chicago. New York Rhode Island Greening apples, No. 1, 2½ inches 75¢-\$1 and McIntosh \$1.12½ per bushel basket in New York City; 75¢-80¢ f.o.b. Rochester.

Average price of Middling spot cotton in 9 designated markets (holiday in New Orleans) declined 1 point to 5.80¢ per lb. On the same day last year the average of ten markets was 6.55¢. New York March future contracts declined 2 points to 5.88¢. New Orleans holiday.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17¼¢; 91 score, 17½¢; 90 score, 17½¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10½ to 11¢; Young Americas, 11 to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16 to 16½¢; Standards, 15 to 15½¢; Firsts, 14 to 14¼¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 50

Section 1

March 2, 1933.

LATE LEGISLATION

The press today reports: "With both branches of Congress joining in an unusual rush of activity, a wide range of remedial and emergency legislation, much of it of far-reaching importance, was enacted or advanced yesterday. The chief developments as the 'lame duck' session drew near a close were as follows: 1. The conference report on the Treasury- Post Office appropriation bill, carrying a broad grant of authority to President-elect Roosevelt to reorganize the Government, was adopted by the House. 2. The House Judiciary Committee approved a drastic bill authorizing the Federal courts, under the bankruptcy laws, to postpone for ten years, if necessary, payments of interest, sinking fund payments, or payments of other indebtedness of cities of not less than 50,000 population....A similar bill was pending in the Senate....3. The bankruptcy reform bill was completed, by House action, and is ready for the President's signature. 4. The Smith cotton-pooling measure received final approval of both branches and went to the President. 5. The Hull-Walcott bill suspending farm foreclosures for two years was passed by the Senate...."

BANK MORATORIUMS

The press today says: "Kentucky, Tennessee and Alabama yesterday declared moratoriums designed to support banking institutions and protect depositors. Banking holidays and legislative or executive edicts authorizing restricted withdrawals operated in various States as follows: Oklahoma, Louisiana, Kentucky, Tennessee and Alabama yesterday declared moratoriums designed to support banking institutions and protect depositors. Louisiana--Gov. Allen declared a compulsory three-day holiday. Tennessee--Governor proclaimed a six-day holiday, not mandatory. Kentucky--Governor declared four-day holiday, also not mandatory. Alabama--Ten-day suspension of banking business ordered by Governor. Mississippi, Ohio, Indiana, Pennsylvania and Arkansas have in force measures authorizing banks to limit demands on their funds to a small per cent of deposits, in most cases 5 per cent. Maryland--Banking moratorium extended by gubernatorial proclamation pending enactment of stabilization measures. Michigan--Banking holiday still in force. Plans for establishment of two Ford-backed banks in Detroit at an impasse as U.S. Senator James Couzens conferred with State bankers. The Idaho legislature authorized the Governor to declare suspensions of all business operations in the State by proclaiming 'legal holidays' whenever, in his opinion 'extraordinary conditions exist justifying such action.'"

WALLACE'S HOPE

An A.P. dispatch today from Des Moines, Iowa, states that in bidding a temporary farewell to readers of his farm magazine, Henry A. Wallace, named as Secretary of Agriculture in the incoming administration, said: "In going to Washington in this new administration I hope to attack the problems of this day with as much courage and vigor as my father brought to the same task twelve years ago...."

Section 2

"Factory
Farm"

An editorial in Country Life (London) for February 13 says: "The 'factory farm' is not to be confused with mechanized farming. The latter is a system providing a good profit for the very few, justified in thinly populated countries where labor is scarce and dear, but prejudicial to thickly peopled countries such as England, where the population is already ill distributed and where it is essential to increase the yield and maintenance capacity of the land. The 'factory farm,' on the contrary, can be fed largely by the manual labor of surrounding small holdings, and, indeed, be the property of small-holders who, besides receiving a guaranteed market for their produce (provided it is of the kind required), may also partake as shareholders in the profits of the factory. The idea of factory farms is fresh to this country, the nearest approaches being the sugar factories and fruit-canning works. To see factory farms in full operation one must go to eastern Europe. Mr. Turnor refers to farms in Hungary, Czecho-Slovakia, and Germany, of from six to eighty thousand acres. Though the latter figure is far in excess of any scheme practicable or desirable here, the principle is perfectly applicable. Production centers round these factories and supplies them with raw material for such products as sugar, bacon, butter, cheese, flour and beer. On these farms the factories employ more men than the land itself, and earn a larger profit. But the profit goes back to the land in the form of dividends to the shareholder producers, instead of being 'bled' from it as is the case even with our existing processing factories. Such a system, with properties of all sizes grouped round a nucleus of farm factories, could be worked, without insuperable difficulty, through existing and projected legislation. It is impossible to exaggerate the advantage to larger and small property holders of being able to plan their production in accordance with the requirements, for instance, of a central abattoir, canning, cheese, and bacon factories, which would have previously contracted with them for a supply of a specified grade and quantity. The public, further, would probably benefit by cheaper prices being made possible through the elimination of middlemen and transport charges. Such a system could be put into effect by public utility companies, but preferably by trusts composed of the landowners and small-holders of the region...."

Highways of

The Pan American Union for February says: "Until recent years highways occupied a secondary position in the development of the general transportation program of Argentina. With hundreds of miles of level pampas as a foundation, it has been pointed out, railway construction proceeded rapidly and the highways came to occupy a secondary position, principally as feeders to the railway lines, but now men of vision in Argentina, aware of the country's need of highways as an aid to national progress, have secured the passage of a national highway law, supported by a definite construction program and a continuous highway fund. The new law coordinates Federal and Provincial road building, by extending Federal aid to all the provinces. Drafted along lines very similar to the United States Federal

highway law, the Argentine law (No. 11,558) was passed by Congress September 30, 1932, and signed by President Agustin P. Justo on October 5, that date coinciding with 'Highway Day,' a national annual celebration instituted in 1928. Senor J. Allende Posse, Director of the National Highway Bureau created by this law, announces that Argentina will be able to spend on highways approximately 1,000,000,000 paper pesos (about \$425,000,000 at par) during the next 15 years. One-half of this amount is to be used for the Federal trunk highway system, which alone will total 30,000 miles....The United States supplies Argentina with the greater portion of the road-building machinery used, and the ratio of reduction in sales of this class of machinery in the past two years has been far less than on other types of machinery. Most of the equipment now in use is comparatively new. It is reasonable to assume, however, that the increase of more than \$7,000,000 in 1933 highway expenditures undoubtedly will result in the purchase of additional equipment...."

Horse Demand An editorial in The Miami Herald for February 4 says: "Farmers can raise hay but they can not raise gasoline, and to this fact may be attributed the sudden demand for horses that has been noticed in horse markets. It is said that not since the early days of the World War has there been such a demand for horses as has now developed in the Western States. For many years wild bands of horses have ranged over the hills and prairies of the West, unfettered by rope or afflicted by branding iron. They had simply been worthless except for their hides and meat and there has been no profit in rounding them up to secure either. Now a demand has arisen for these animals, coming from every section of the country and it makes no difference to the purchasers, seemingly, that the horses are wild and unbroken. Purchasers take them eagerly broken or unbroken. Almost any kind of a horse, even the burro, is in demand. Wild broncos, retired saddle horses, mules and mustangs are all wanted. Business is thriving among horse dealers. And it all comes about because the farmer, in the South and West, is abandoning the use of the tractor and is going back to the old animal motor power."

Milk Situation An editorial in American Agriculturist for February 18 says: "Speaking for our New England readers, we are glad to say that the situation there is hopeful because of the strong probabilities of all New England dairymen presenting a united front through the one large sales organization, the New England Dairies. In the New York Milk Shed a legislative committee has been working all summer, holding hearings and collecting information on the milk production and milk marketing situation. This commission has done a thorough and excellent job in assembling the facts. Any successful remedy must first rest upon a foundation of truth, and the commission has built this foundation. It is soon, we understand, to make a report to the legislature not only of the facts but of certain suggestions for remedies to improve the market. It is rumored that this report will contain two specific recommendations; first, it may commend the principle of a large organization well-supported by dairymen themselves

for any successful, long-distance, permanent program; secondly, it is said that the commission may recommend establishing some kind of a State milk commission with State powers to regulate the industry on a purely temporary basis, to meet the emergency by raising the price level.... If there is any possibility to help dairymen through any such possible step, we shall be for it, and all of us should keep our minds open to consider the suggestion when it is made on its merits without prejudice.... So far as we have been able to get the sentiment, and we have talked with a large number of leaders among the legislators and dairymen, practically all are agreed, whether they are for temporary State control or not, that there is no permanent hope on a long-time basis for a more stable milk market until dairymen themselves through better-supported organization get in a position to control the situation."

Vitamins

An editorial in Farm and Ranch for March 1 says: "How to make hens lay eggs high in vitamin A is the subject of a recent bulletin by R. M. Sherwood and G. S. Fraps of the Texas Agricultural Experiment Station. Yellow corn, while a high vitamin carrier among the grains, falls somewhat short in producing high vitamin eggs because the hen can not eat enough of it. But with grass and other green feeds, which are much higher in the precious vitamins, Her Henship may ingest much larger quantities of the life-giving element, about one-sixth of which will reappear in her eggs. Spinach, for instance, contains about eighty times as much vitamin A as yellow corn on a dry basis, and dehydrated alfalfa meal is sixteen times as high as yellow corn. We highly favor feeding more spinach to the hens. Seriously, here appears an opportunity for southwestern poultrymen to capitalize the idea of high vitamin eggs. Green feed is available throughout the year in most of this region, and we produce plenty of its substitutes. Probably most poultrymen are feeding rations which produce high-vitamin eggs, and those who are not can readily do so. It only remains to convince the customers that a high vitamin egg is available; that it has more food value than an egg from grain-fed hens is obvious. South Carolina has capitalized the high iodine content of her vegetables; California, the sunshine in her citrus fruits. Why not high vitamin eggs from the Southwest?"

Section 3

Department of Agriculture

An editorial in Farm and Ranch for March 1 says: "The abundance of feed and food on the farms in the Southwest the past two years saved rural districts from the distress of hunger. The price of farm products during that period and into the present time was so low that the sale thereof would not have brought sufficient money to have paid running expenses and purchased the necessary food for the family. Thanks to the Extension Service, more particularly to the home demonstration agents, modern

methods of canning and conserving food in other ways was introduced in nearly every county with the result that farmers have had an abundance of food throughout the winter. No one can foretell the trend of prices in 1933, and therefore every farmer, tenant or owner should accept every opportunity to prepare and store away both food and feed. The acreage planted to these crops should be increased in many instances and more than the usual quantities should be taken care of. Resolve to live at home and then if you can secure any kind of a price for your major crops, it will be just that much money to be used for other purposes. That is the advice given by extension agents, and it is sound and worth while. Borrowings for the purpose of buying either food for the family or feed for the livestock should not be considered. From reports received at this office, the amount of new debts to be contracted by farmers will be smaller than for many years. If farmers can manage to live off the products produced at home, if given any kind of a chance, they will liquidate old debts and be ready to accept the opportunities for making a little money as they present themselves."

Section 4 MARKET QUOTATIONS

Farm Products

March 1.--Grain: No.1 dark northern spring* Minneapolis 47 3/4 to 48 3/4¢; No.1 northern spring* Minneapolis 47 3/4 to 48 3/4¢; No.1 hard winter* Kansas City 43 to 43 3/4¢; No.2 hard winter* Kansas City 42 1/2 to 43¢; St. Louis 49¢ (Nom.); No.1 S.R. Winter St. Louis 50¢; No.2 S.R. Winter Kansas City 44 1/2 to 46¢; St. Louis 49 1/2¢; No.2 W. Wn. Portland 40¢; No.2 Am. Dur.* Minneapolis 41 1/8 to 44 1/8¢; No.1 Durum (Duluth) 45 1/8 to 47 1/8¢; No.2 rye Minneapolis 31 1/8 to 33 1/8¢; No.2 mixed corn Minneapolis 17 to 18¢; Kansas City 20 1/4 to 20 3/4¢; Chicago 22 3/4¢ (Nom.); St. Louis 21 1/2 to 22¢; No.2 white corn Kansas City 20 1/2 to 21¢; St. Louis 23¢ (Nom.); No.2 yellow corn Minneapolis 20 to 20 1/2¢; Kansas City 20 1/2 to 21¢; Chicago 23¢; St. Louis 23 to 23 1/2¢; No.3 yellow corn Minneapolis 19 to 19 1/2¢; Kansas City 20 to 20 1/2¢; Chicago 21 3/4 to 22 1/4¢; St. Louis 21 1/2 to 22¢; No.2 white oats Minneapolis 14 1/8 to 14 5/8¢; Kansas City 17 to 17 1/2¢; Chicago 16 to 16 1/2¢; St. Louis 16¢ (Nom.); No.3 white oats Minneapolis 13 3/8 to 14 1/8¢; Kansas City 16 1/2 to 17¢; Chicago 15 to 15 1/2¢; St. Louis 15 1/2¢ (Nom.); Special No.2 barley Minneapolis 26 to 27¢; Chicago 32 to 35¢; No.1 flaxseed Minneapolis \$1.03 3/4 to \$1.09 3/4.

Livestock at Chicago: Slaughter cattle, calves and vealers; steers (900-1300 lbs.) good and choice \$5 to \$7.50; cows, good \$2.50 to \$3; heifers (550-750 lbs.) good and choice \$4.50 to \$5.75; vealers, good and choice \$4.50 to \$6.50; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.50 to \$3.65; 200-250 lbs.

*Prices basis ordinary protein.

good and choice \$3.45 to \$3.65; 250-350 lbs. good and choice \$3.25 to \$3.50; slaughter pigs, 100-130 lbs., good and choice \$2.85 to \$3.35; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$5.65.

Maine sacked Green Mountain potatoes 85¢-\$1.10 per 100-pounds in eastern cities; 43¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-72½¢ carlot sales in Chicago; 47¢-50¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.50-\$1.85 per bushel crate in city markets. New York and Midwestern yellow varieties of onions 35¢-80¢ per 50-pound sack in consuming centers; 45¢-53¢ f.o.b. Rochester and 40¢-45¢ f.o.b. West Michigan points. New York Danish type cabbage \$14-\$18 bulk per ton in terminal markets; \$7-\$9 bulk per ton f.o.b. Rochester. Florida Pointed type \$1.12½-\$1.37½ per 1½-bushel hamper in New York City. Texas Round type \$1.75-\$1.85 per western lettuce crate in Chicago; \$1-\$1.15 f.o.b. Lower Valley points. New York Rhode Island Greening apples, No. 1, 2½ inches, 65¢ and McIntosh \$1-\$1.12½ per bushel basket in New York City; 80¢ f.o.b. for Rhode Island Greenings at Rochester; Baldwins \$1.10-\$1.15 and McIntosh \$1.05.

Average price of Middling spot cotton in the ten designated markets advanced 10 points to 5.90¢ per lb. On the corresponding date one year ago the price stood at 6.55¢. March future contracts on the New York Cotton Exchange advanced 10 points to 5.98¢, and March future contracts on the New Orleans Cotton Exchange closed at 5.96¢. (Holiday, New Orleans, February 28.)

Wholesale prices of fresh creamery butter at New York were: 92 score, 17½¢; 91 score, 17¼¢; 90 score, 17¼¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10¾ to 11¢; Young Americas, 11½ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 to 15½¢; Standards, 14 to 14½¢; Firsts, 13¾¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 51

Section 1

March 3, 1933.

MORGENTHAU FOR FARM AGENCY The press today states that President-elect Roosevelt, on his arrival at Washington last night, announced that he would consolidate all Federal farm financing agencies under the chairmanship of Henry Morgenthau, jr., of New York, chosen to succeed James C. Stone, recently resigned as head of the Farm Board. The report says: "The activities of the Farm Board, land banks, intermediate credit banks, production loans of the Department of Agriculture and loans of regional agricultural corporations will all be consolidated in the new agency...."

RAINEY NAMED HOUSE SPEAKER The press today states that Representative Henry T. Rainey of Illinois yesterday was named by the Democratic members of the House as their candidate for Speaker of the House of the Seventy-third Congress. The nomination is tantamount to election. Representative Joseph W. Byrns of Tennessee was named floor leader to take the place made vacant by the promotion of Mr. Rainey.

CUMMINGS AS ATTORNEY GENERAL The press today states that Homer S. Cummings of Stamford, Conn., was picked by President-elect Roosevelt as Attorney General in place of Senator Walsh of Montana, whose sudden death made a quick selection for that important post imperative.

N.Y. RESERVE BANK RATE A New York dispatch today states that the New York Federal Reserve Bank yesterday jacked up its rediscount rate--the rate at which member banks borrow from the central institution--to $3\frac{1}{2}$ per cent from $2\frac{1}{2}$ per cent. The latter level had been in effect since June 24 last, prior to which time the rate was 2 per cent. The report says: "Bankers explained that the increase, bringing the rediscount figure to the highest point since February, 1932, was a natural reflection of the huge demands which have been placed on the New York money market incident to banking restrictions in many sections of the country...."

BANKING SITUATION The Associated Press today says: "Protection and assistance of twenty-one commonwealths had been given yesterday to the individuals and business firms having deposits in financial institutions. Several States during the day joined the movement to aid banks. Action taken varied from mandatory moratoria proclaimed by Governors to legislation giving banks the optional right to limit withdrawals from deposits..."

TREASURY DEFICIT Eight months of the Government's 1933 fiscal year ended February 28 with a deficit of \$1,360,279,739 and a public debt of \$20,934,729,209, Treasury figures showed yesterday, according to the press today.

Section 2

Dickinson Senator L. J. Dickinson, of Iowa, writing under the on Farm title "The Future of the Farm Family" in Review of Reviews and Family World's Work for March, says: "...When the farm-home disappears, with it go many of the traditions dear to our civilization. The basic strata of our society were fostered, encouraged, and formulated in the colonial days when the farm home was the social center of every community. Nothing can be more essential to the security of our future civilization and to the maintenance of our representative democracy than the stability of the farm home. It is contended that the entire trend of the day is against the farm, and some very convincing arguments can be brought forth to sustain this suggestion. On the other hand, an industrial civilization can be built up quickly and crumble in just as short a time. The civilization based upon a rural population has a firm foundation. The effort of any doctrine or philosophy to destroy the farm home and take away from it those elements which have contributed to its strength should be discouraged. With all the difficulties we are facing in this country, we shall never see a time when we can abandon the principles that have made us great, for such an experiment as is now being tried among the Russian farmers. We are now in search of new economic doctrines that will protect and promote the farmers of the country. It might be well to divide our proposals into those heretofore passed and those now being proposed. In consideration of the former, it is my belief--if the farm population is going to be maintained--that the fundamental basis of farm legislation is that of cooperative marketing which Federal legislation now promotes and maintains. We can cite numerous examples of how farmers have been best able to protect themselves by such a movement.... Summarizing, we can safely say that: (1) The family on the farm supplying its own needs is a better guarantee to the stability of our institutions than the sky-scrapers of our cities. (2) Cooperative marketing has demonstrated its beneficial effects, and expansion of the movement is the most helpful sign in farm movements today. (3) Further legislation is still uncertain of passage and doubtful in benefits. The farm family of the future is secure in possessing the advantages of our early forefathers. We can not expect them to be thus content. Additional advantages are demanded and warranted. An adjustment period is ahead of us. Governmental panaceas are impossible, but directing legislation can be of assistance. Just now we are confused because the demands are beyond possibilities. However, unless the farm home can be made more secure, and its standard of living maintained, a century of time will not suffice to erase the dire effects of this present economic collapse."

Pennsylvania An editorial in The Rural New-Yorker for February 25
Farm says: "The great Pennsylvania Farm Show, held at Harrisburg
Show recently, made some new records. Entries of livestock, poultry, farm crops, clothing, food, etc., exceeded 9,400 compared to 8,670 a year ago. This is 10 per cent more competitive exhibits than have ever been entered in the State Show before. The

attendance, officially estimated at 275,500 was a new record, exceeding the average of the past two shows by 13,000. On Wednesday and Friday, new high totals for those respective days were set. Two hundred and seventy firms purchased space to exhibit their products."

Pisgah
Hunt

An editorial in American Forests for March says: "Elsewhere in this issue appears an article--'Regulated Hunting on the Pisgah'--which describes an experiment highly significant of constructive trends in wild life conservation. Its purpose was to find an answer, if possible, to the increasingly perplexing problem of adjusting the wild life population of a given region to its natural food supply and thereby to forestall eventual shortage of food and depletion of animals by starvation and disease. In this instance the animals were white-tail deer which had had complete sanctuary on some 100,000 acres of mountain land within the Pisgah National Forest during the past fifteen years. The deer having increased by natural propagation to such numbers that evidences of impending food shortage were becoming clearly apparent, the Forest Service decided that if the deer herd is to be perpetuated in safe and healthy numbers some plan must be adopted to remove the yearly surplus....The Pisgah experiment represents a progressive step in wild life management. It may not be exactly the right method in detail, but it is at least courageous recognition of conservation's two-fold responsibility in dealing with wild life: first, to increase the supply through proper safeguards of protection and propagation and, second, to control surplus numbers when they reach a point that threatens the food supply and the welfare of the animals as a whole. The latter calls for unsentimental facing of the biological fact that neither wild animals nor domesticated animals can be increased ad infinitum within a given area without a day of reckoning. That day dawns when the animal population begins to exceed the limits of its natural food supply...There are those honest and sincere in their beliefs who hold that the ultimate in wild life conservation is complete and perpetual sanctuary....They have only to study with open mind, however, some of the conditions which have developed elsewhere in recent years, such as the over-population of the deer on the Kaibab Plateau in Arizona, to have brought home to them that conservation which fails to balance the wild life population to its available supply of food and environment ultimately defeats its own ends and creates conditions of starvation, disease and depletion that are infinitely more inhuman than those incident to regulated hunting."

Potato
Acreage

An editorial in The Rural New-Yorker for February 18 says: "Already the potato situation for 1933 is clear enough for growers to think about it and make some plans. In fact, they have made plans as a group, and experience shows that potato-growers, when planting time comes, do about as they intend the winter before, no matter what changes are made by some of them after further consideration. The intended 3 per cent reduction in planting, as shown by the January report, might be supposed to lessen the coming production, but it may not do that because the

general yield per acre was below average last year, and a slightly better season might easily bring the same output as before. Maine would cut down acreage 12 per cent and the Rocky Mountains region cuts about as heavily as Maine. The Southern States are cutting 12 per cent, which means a possible advance for what is left of the old crop near the end of the season. Maine potatoes usually benefit more than any other line when the old crop season is extended because of reduced or delayed southern production. A number of States close to good markets are planning for more potatoes as compared with last year. This increase is not especially surprising in such producing districts, because potato prices were not lower than those of many other products where there were no heavy freight charges. It seems that, when potatoes are low, the sections near the markets have an advantage, provided their crops are fairly good and their costs not too high. These favored sections which will increase or maintain acreage include southern and middle New England, New York, Pennsylvania and some other States in the Middle West, mostly in the Corn Belt, also a few Southern States which marketed their crop quite successfully last season. Most of the leading carlot shipping States are cutting down acreage more or less, according to present plans."

Taiwan
Pine-
apples

Taiwan pineapples have completely captured the Japanese market from the Hawaiian Islands. Pineapple production on the Japanese island of Taiwan, in 1931, totaled 25,579,128 tins or approximately 1,000,000 cases against 18,003,645 tins or approximately 750,000 cases in 1930 and 20,184,368 tins or about 800,000 cases in 1929. Exports to foreign countries in the first eight months of 1932 were 60,644 dozen tins as compared to 3,917 dozen in the same period of 1931. (Consular report.)

Washington
Farm Loans

Ten livestock loan companies or agricultural credit corporations located in Oregon did business with the Federal Intermediate Credit Bank of Spokane during 1932, according to a statement made at Spokane, March 1, by E. M. Ehrhardt, president of the institution. The farmers' notes offered by these local corporations or companies upon which the bank advanced money aggregated \$7,967,000. These corporations are located at Portland, Pendleton, Hood River, Lakeview, Redmond, The Dalles, Malin and Heppner. "The rate of interest charged on paper discounted for local lending institutions during the past year has been the lowest of any year since the Federal Intermediate Credit Bank was established in 1923," said Mr. Ehrhardt. "On July 15 last, the rate on discounts was lowered to $3\frac{1}{2}$ per cent. This does not represent the rate charged locally to the farmer, however, for the corporation or company is permitted to add as much as 3 per cent to this rate when determining the rate to the borrower. This low rate is accounted for by the low interest charged on short-term paper prevailing in the large money markets and the fact that Congress amended the act which created the Federal Intermediate Credit Banks, making their debentures--

the source from which they obtain their loanable funds--eligible for 15-day loans from Federal Intermediate Credit Banks to banks which are members of the Federal reserve system, thus making the debentures more liquid and therefore more desirable to many investors. Much of the business handled by the bank represents livestock loans. The bank is permitted under the law to discount agricultural paper which represents not only livestock operations but also general agricultural activities."

Section 3 MARKET QUOTATIONS

Farm Products

March 2.--Grain: No.1 dark northern spring* Minneapolis 46 7/8 to 47 7/8¢; No.1 northern spring* Minneapolis 46 7/8 to 47 7/8¢; No.1 hard winter* Kansas City 43 to 43 1/2¢; No.2 hard winter* Kansas City 42 1/2 to 43¢; St. Louis 48 1/2 (Nom.); No.1 S.R. Winter St. Louis 49¢; No.2 S.R. Winter Kansas City 43 1/2¢; St. Louis 48 1/2¢ (Nom.); No.1 W. Wn. Portland 39 1/2¢; No.2 Am. Dur.* Minneapolis 40 1/2 to 43 1/2¢; No.1 Durum (Duluth) 44 1/2 to 46 1/2¢; No.2 rye Minneapolis 30 3/4 to 32 3/4¢; No.2 mixed corn Minneapolis 16 1/2 to 17 1/2¢; Kansas City 20 to 20 1/2¢; Chicago 23¢ (Nom.); St. Louis 21 1/2¢; No.2 White corn Kansas City 20 1/4 to 20 3/4¢; St. Louis 22 to 22 1/2¢ (Nom.); No.2 yellow corn Minneapolis 19 1/2 to 20¢; Kansas City 20 1/4 to 20 3/4¢; Chicago 23 1/4 to 23 1/2¢; St. Louis 22 to 22 1/2¢; No.3 yellow corn Minneapolis 18 1/2 to 19¢; Kansas City 19 3/4 to 20 1/4¢; Chicago 21 1/2 to 22 1/4¢; St. Louis 21 1/2 to 22¢; No.2 white oats Minneapolis 14 to 14 1/2¢; Kansas City 17 to 17 1/2¢ (Nom.); Chicago 16¢; St. Louis 16¢; No.3 white oats Minneapolis 13 1/4 to 14¢; Kansas City 16 1/2 to 17 1/2¢; Chicago 15 to 16 1/4¢; St. Louis 15¢; Special No.2 barley Minneapolis 26 to 27¢; Chicago 32 to 34¢; No.1 flaxseed Minneapolis \$1.06 1/2 to \$1.08 1/2.

Livestock at Chicago: Slaughter cattle, calves and vealens, steers (900-1300 lbs.) good and choice \$5 to \$7.50; cows, good \$2.50 to \$3; heifers (550-750 lbs.) good and choice \$4.75 to \$6; vealers, good and choice \$4.50 to \$6.25; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.60 to \$3.75; 200-250 lbs. good and choice \$3.55 to \$3.75; 250-350 lbs. good and choice \$3.35 to \$3.60; slaughter pigs, 100-130 lbs., good and choice \$3 to \$3.40; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$5.65.

Maine sacked Green Mountain potatoes 85¢-\$1.10 per 100-pounds in eastern cities; 43¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-72 1/2¢ carlot sales in Chicago; 47¢-50¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.50-\$1.75 per bushel crate in city markets; \$1.10 f.o.b. Pompano. New York Danish

*Prices basis ordinary protein.

type cabbage \$14-\$18 bulk per ton in terminal markets; \$8-\$9 f.o.b. Rochester. Florida Pointed type \$1.12 $\frac{1}{2}$ -\$1.50 per 1 $\frac{1}{2}$ -bushel hamper in the East. Texas Round type \$1.40-\$1.65 per western lettuce crate in Chicago; \$1-\$1.15 f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions brought 35¢-85¢ per 50-pound sacks in consuming centers; 50¢-53¢ f.o.b. Rochester and 40¢-50¢ f.o.b. west Michigan points. New York Rhode Island Greening apples, No.1, 2 $\frac{1}{2}$ inches, 85¢-93¢ and McIntosh \$1 per bushel basket in New York City; 75¢-80¢ f.o.b. for Rhode Island Greenings at Rochester.

Average price of Middling spot cotton in six markets (holiday in Texas markets. New Orleans market closed by order of directors on account of bank holiday declared by the Governor) remained unchanged at 5.94¢ compared with average of same six markets March 1. On the corresponding day one year ago the price of the same six markets stood at 6.66¢ per lb. March future contracts on the New York Cotton Exchange declined 1 point to 5.97¢, and New Orleans closed.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17 $\frac{1}{4}$ ¢; 91 score, 17¢; 90 score, 17¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10 $\frac{3}{4}$ to 11 $\frac{1}{2}$ ¢; Single Daisies, 10 $\frac{3}{4}$ to 11¢; Young Americas, 11 $\frac{1}{2}$ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 to 16 $\frac{1}{4}$ ¢; Standards, 14 $\frac{3}{4}$ ¢; Fresh Fruits, 13 $\frac{1}{2}$ ¢ to 13 $\frac{3}{4}$ ¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 52

Section 1

March 6, 1933.

THE INAUGURAL ADDRESS

President Roosevelt said in his address following his inauguration as President of the United States on March 4: "...Hand in hand with this we must frankly recognize the overbalance of population in our industrial centers and, by engaging on a national scale in a redistribution, endeavor to provide a better use of the land for those best fitted for the land. The task can be helped by definite efforts to raise the values of agricultural products and with this the power to purchase the output of our cities. It can be helped by preventing realistically the tragedy of the growing loss through foreclosure of our small homes and our farms. It can be helped by insistence that the Federal, State and local governments act forthwith on the demand that their cost be drastically reduced. It can be helped by the unifying of relief activities which today are often scattered, uneconomical and unequal. It can be helped by national planning for and supervision of all forms of transportation and of communications and other utilities which have a definitely public character. There are many ways in which it can be helped, but it can never be helped merely by talking about it. We must act, and act quickly...."

EXTRA SESSION CALLED

The President yesterday, following an extraordinary Sunday meeting with his entire Cabinet, formally summoned a special session of the 73rd Congress to assemble at noon on Thursday, March 9, "to enact a broadgauge legislative program designed to rescue the country from complete financial paralysis." (Press, Mar.6.)

GENERAL BANKING HOLIDAY

President Roosevelt last night issued a sweeping proclamation in an effort to bring order to the national banking situation, declaring: 1. A national banking holiday from Monday March 6 to Thursday, March 9. 2. A complete gold embargo during this holiday. 3. The issuance of clearing house certificates for the period of the holiday. 4. The creation of special trust accounts for new deposits during the period of such holiday. 5. Permission to all banking institutions to perform all the usual banking functions during such holiday. (Press, Mar. 6.)

DEPARTMENT BILL SIGNED

The agricultural appropriation bill was signed by President Hoover on March 3. It carries a total of \$100,209,091.

GRAIN TRADING IN WINNIPEG

A Chicago dispatch March 5 states that closing of American grain exchanges on account of bank holidays in the leading States resulted in a heavy volume of business in Winnipeg March 4, the Canadian market as well as Liverpool being open as usual. Chicago and New York interests were reported as free buyers in Winnipeg and under talk of a large export business prices advanced rather sensationally, the October at the top showing 3 cents above Friday's finish.

Section 2


European "Factory Farms" Christopher Turnor, writing on "The Factory Farm" in Country Life (London) for February 18, says: "The real 'factory farm' is native to the Continent, Czechoslovakia, Germany and Hungary. It is called a 'factory farm' because it has one or more factories upon it. Land production centers round these factories and supplies them with raw material. They may vary greatly in size. In Germany they are ordinarily about six thousand acres, in Czechoslovakia twenty thousand to twenty-five thousand acres, and there is one case in Hungary of an eighty thousand acre farm. Any or all of the following factories may be found on such farms: sugar, bacon, butter and cheese, chicory 'coffee,' flour mills and breweries. The cost of capital equipment is generally high, as, for instance, in the case of one twenty-five thousand acre farm in Czechoslovakia, where industrial equipment cost over one million pounds. On this farm the subsidiary industries employed more men than the land itself. A few years ago, when conditions were normal, a very good profit was earned. There was a profit on the cultivation of the land itself, but a much larger profit came from the subsequent manufacture of raw materials and from trading. Under the 'factory farm' system all such profits go to the agriculturist and not to an outside entrepreneur. Not only are these farms highly organized producer-manufacturer units, but in many cases they provide a good market for surrounding small-holders. Sometimes one or more of the factories are cooperative...."

Michigan Shooting Preserve Act An editorial in The Michigan Farmer for February 18 says: "If a certain class of so-called sportsmen think that by having the Michigan shooting preserve act repealed they are going to hunt any easier they have another guess coming. Farmers have had too much trouble with their kind destroying property. Regulated hunting, such as is permitted under the shooting preserve act, helps the farmers to control trespassing and keeps these fellows in line. Further, it offers a sound reason for the farmers to propagate and protect game. We wonder just how many of these so-called sportsmen would raise pheasants in their own backyard and then permit careless farmers to trample over flowerbeds and shrubs hunting for the birds."

Roberts on Finances Review of Reviews and World's Work for March says: "In an extended part of his February Letter, George E. Roberts of the National City Bank of New York, deals exhaustively with the subject of monetary inflation, and condemns proposals for American currency depreciation as futile and disastrous. On the other hand, he sets forth 'the advantages of a program of cooperation and mutual concession in dealing with the causes of trade disorder and currency confusion, and of measures that would rouse confidence rather than alarm in capital, and put the idle currency and credit of the country to work.' Mr. Roberts would relieve pressure upon the exchanges by adjustment of inter-governmental debts. He would reduce Government expenditure and taxation. He would balance budgets both national and local. He

would seek to adjust wages and prices in certain fields of employment. He holds that there can be no magic method or sleight-of-hand trick by which the depression can be overcome. He does believe, however, that we could get out of our troubles quite speedily even if we did nothing more than adjust the debts and balance the Federal budget....He challenges the assumption that paralyzed industry and extremely low price levels must be permanent unless corrected by legislation. 'On the contrary there is good reason to believe that this depression, like all that have preceded it, will be cleared up by the free play of economic forces if such are not nullified by ill-advised legislation.' He is not fanatical, however, in his devotion to the monetary status quo. He admits that 'the last word has not been said about money, the standard of value, or banking.' 'The standard of value is a subject for scientific study, and international cooperation. The interests of nations are not in conflict upon this subject; for the main object with all is to obtain stability of relationships.' This distinguished authority does not minimize the almost incalculable harm that came to the country through lack of any effective control over the wild orgy of speculation on the New York Stock Exchange, that was promoted by all the banks of the United States with participation on the part of many other countries..."

Morgenthau Plan The Associated Press March 4 said: "...Henry Morgenthau, jr., of New York, revealed plans for a sweeping reorganization of the Government's farm credit agencies which will be centralized under his direction and will include absorption of the Farm Board....Morgenthau placed emphasis on what he gave as his 'first objective,' taking 'the Government out of the stabilization business'--...Morgenthau's reorganization plan contemplates the creation of four divisions which will assume functions now divided between seven units. Each will be headed by one man, who will be personally responsible to Morgenthau, who has tentatively styled the unified agency the 'Farm Credit Administration.' The functions of the Farm Board in making loans to cooperative marketing groups will form the basis of the activities of one division. Another will take over Federal farm loan activities now centered in the Federal Farm Land Bank Board and its affiliates. The third division will take over the Crop Production Loan Bureau of the Department of Agriculture, now engaged in disbursing \$90,000,000 in Federal funds, and the regional farm agencies established by the Reconstruction Finance Corporation--both described as 'emergency functions' by Morgenthau. The fourth division is planned for the activities of the Federal Government in aiding the farm mortgage situation--activities for which Mr. Roosevelt is expected to recommend congressional approval and details of which remain to be worked out...."



Wheat Stocks 'Wheat Studies (of the Food Research Institute, Stanford University) for February says: "Students of the world wheat situation urgently require trustworthy estimates of end-year world wheat stocks that are more comprehensive than data currently available. Familiar statements of the 'world visible supply'

probably cover no more than a fourth of the old-crop wheat actually existing at the end of the Northern Hemisphere crop year in the world excluding Russia, China, and southwestern Asia. Total end-year stocks as reported and directly estimated in North America, Australia, and afloat to Europe cover the situation in those important positions rather satisfactorily. Yet other important countries and positions where stocks are neither reported nor directly estimated are also significant in explaining past events or in appraising the outlook for wheat trade and prices during an oncoming crop year. This was demonstrated in 1929-30, when early-season misjudgments of probable trade and prices rested heavily on faulty appraisal of the old-crop stocks available in Argentina, the Danube basin, and importing Europe. Within the limits imposed by the range of available statistics, this study is designed to fill the gap in available data on end-year stocks. It presents estimates of total stocks of old-crop wheat grain in the world (excluding Russia, China, and southwestern Asia) about as of August 1, from 1922. Indirect estimates are given to supplement reported stocks and direct estimates, and the methods of indirect estimation are described. The results are subject to limitations with respect to scope, degree of accuracy, and date. Nevertheless, the estimates contribute not only to explanation of past events in the world wheat situation and to appraisal of the outlook, but also to such specific important problems as measurement of the existing world wheat surplus."

Wholesale Prices The Bureau of Labor Statistics of the U. S. Department of Labor announces that its index number of wholesale prices for the week ending February 25 stands at 59.7 as compared with 60.1 for the week ending February 18, showing a decrease of slightly more than $\frac{1}{2}$ of 1 per cent. These index numbers are derived from price quotations of 784 commodities, weighted according to the importance of each commodity and based on average prices for the year 1926 as 100.0.

World Conference Agenda Leo Pasvolsky, writing from Geneva on the "Agenda for the World Economic Conference" in Barron's for February 27, says: "...The agenda of the conference, as drawn up by the experts, is as follows: 1--Monetary and credit policy. 2--Prices. 3--Resumption of the movement of capital. 4--Restrictions on international trade. 5--Tariff and treaty policy. 6--Organization of production and trade. These are the principal questions set out in the Lausanne resolution, which called for the convocation of the conference, with, however, one important difference. In the Lausanne document, the first three of the topics given above were grouped under the general heading, 'Financial Questions,' and the last three, under a similar heading of 'Economic Questions.' Not only is this classification absent from the experts' agenda, but also the general part of the report lays special stress on the need of avoiding it. The experts say: 'Before embarking upon a discussion of these questions, it is necessary to emphasize the close interconnection between the various elements of the problem. It will not, in our judgment, be possible to make substantial progress by piecemeal measures. A policy of "nibbling" will not solve this crisis. We believe that the governments of the world must must make up their minds to achieve a broad solution by

concerted action along the whole front. Action in the field of economic relations depends largely upon monetary and financial action, and vice versa. Concerted measures in both fields are essential if progress is to be made in either. While we have kept roughly to the order set out in the Lausanne resolution, we attach no particular importance to the precise method of classification. In this definite disposition to treat all of the questions as inter-connected parts of a single problem, rather than as more or less independent issues, the second meeting of the commission showed a marked advance over the first. The commission still did most of its work in two sub-committees, the monetary and the economic, but this was merely as a matter of convenience, and there was much more co-ordination between the two. In fact, as was only natural, the real work was done in the still smaller drafting groups...."

Section 3 MARKET QUOTATIONS

Farm Products

March 3.--Grain: No.1 dark northern spring* Minneapolis 48 1/4 to 49 1/4¢; No.1 northern spring* Minneapolis 48 1/4 to 49 1/4¢; No.1 hard winter* Kansas City 42 1/2 to 44¢; No.2 hard winter* Kansas City 43 to 44¢; St. Louis 50¢; No.1 S. R. Winter St. Louis 51¢ (Nom.); No.2 S.R. Winter Kansas City 48¢; St. Louis 50 1/4¢; No.1 W. Wh. Portland 39 1/2¢; No.2 Am. Dur.* Minneapolis 42 to 45¢; No.1 Durum (Duluth) 46 to 48¢; No.2 rye Minneapolis 32 to 34¢; No.2 mixed corn Minneapolis 18 to 19¢; Kansas City 21 to 21 1/2¢; Chicago 24 1/2¢ (Nom.); St. Louis 22 1/2 to 22 3/4¢; (Nom.); No.2 white corn Minneapolis 21 1/4 to 21 3/4¢; St. Louis 23 3/4¢; No.2 yellow corn Minneapolis 21 to 21 1/2¢; Kansas City 21 1/4¢ to 21 3/4¢; Chicago 23 3/4 to 24¢; St. Louis 23 1/4¢; No.3 yellow corn Minneapolis 20 to 20 1/2¢; Kansas City 20 1/2 to 21¢; Chicago 22 to 23¢; St. Louis 22 1/4 to 22 3/4¢; No.2 white oats Minneapolis 14 1/4 to 14 3/4¢; Kansas City 17 to 17 1/2¢ (Nom.); Chicago 16 1/4 to 16 1/2¢; St. Louis 16 1/4¢; No.3 white oats Minneapolis 13 1/2 to 14¢; Kansas City 16 1/2 to 17¢ (Nom.); Chicago 15 to 15 1/2¢; St. Louis 15 1/2¢; Special No.2 barley Minneapolis 26 to 27¢; Chicago 32 to 34¢; No.1 flaxseed Minneapolis \$1.09 to \$1.11.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$5 to \$7.50; cows, good and choice \$2.50 to \$3; heifers (550-750 lbs.) good and choice \$4.75 to \$6; vealers, good and choice \$4.50 to \$6.25; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; 160-200 lbs. good and choice \$3.75 to \$3.90; 200-250 lbs. good and choice \$3.65 to \$3.90; 250-350 lbs. good and choice \$3.50 to \$3.70; slaughter pigs, 100-130 lbs. good and choice \$3.25 to \$3.60; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5 to \$5.60.

*Prices basis ordinary protein.

Maine sacked Green Mountain potatoes brought 85¢-\$1.10 per 100-pounds in eastern cities; few 45¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢ carlot sales in Chicago; 48¢-50¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.60-\$1.65 per bushel crate in city markets; \$1.10 f.o.b. Pompano. New York and Midwestern yellow varieties of onions brought 35¢-80¢ per 50-pound sack in consuming centers; 45¢-50¢ f.o.b. Rochester and 50¢-55¢ f.o.b. West Michigan. East Shore Maryland and Delaware Jersey type sweetpotatoes 40¢-\$1 per bushel tub in eastern cities. Tennessee Nancy Halls 50¢-55¢ in Chicago. New York Danish type cabbage \$13-\$18 bulk per ton in terminal markets; \$8-\$9 f.o.b. Rochester. Florida Pointed type \$1.12½-\$1.25 per 1½-bushel hamper in the East. Texas Round type \$1.40-\$1.50 per western lettuce crate in Chicago; \$1-\$1.10 f.o.b. Lower Valley points. New York Rhode Island Greening apples, No.1, 2½ inches, 85¢ and Baldwins \$1.05 per bushel basket in New York City; Rhode Island Greenings 80¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 16¼¢; 91 score, 16½¢; 90 score, 16½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10¾¢ to 11¢; Young Americas, 11½ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15½ to 16¾¢; Standards, 15 to 15¼¢; Fresh Firsts, 13¾ to 14¢.

Average price of Middling spot cotton in 9 designated markets (New Orleans closed) advanced 15 points to 6.09¢ per lb. On the same day last year the price was 6.68¢. March future contracts on the New York Cotton Exchange advanced 21 points to 6.18¢. New Orleans closed. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 53

Section 1

March 7, 1933.

BANKING SITUATION

The press today says: "Assured by a chorus of public acclaim that Sunday's sweeping bank-holiday proclamation had checked unwarranted fears in every section, President Roosevelt yesterday promulgated, through the Secretary of the Treasury, the first relaxation of his war-time emergency decrees. Through a series of seven Treasury regulations banks were authorized to carry on such operations as are necessary to move food supplies through the regular trade channels; to redeem Treasury checks in cash; to open safe deposit vaults to their renters; to make change, and to create special trust fund accounts of new deposits at the several Federal Reserve Banks. Another regulation authorized the interbank settlement of all open transactions not entered on the books at the last close of business prior to the emergency edict. Under the seventh regulation, banks are authorized to receive currency in settlement of all obligations 'payable at or to such institution.'..."

SENATE CONFIRMS SIX APPOINT- MENTS

The press today states that after the Senate, in special session yesterday, confirmed six official appointments made by President Roosevelt, announcement came from the White House that the Chief Executive's entire attention had turned toward emergency banking problems and no further appointments would be made in the immediate future. The six appointments approved were: William Phillips, of Massachusetts, Undersecretary of State; Wilbur J. Carr, of New York, and Raymond I. Moley, of New York, Assistant Secretaries of State; Henry Morgenthau, jr., of New York, chairman of the Farm Board; former Representative William F. Stevenson, of South Carolina, and T. D. Webb, of Tennessee, members of the Home Loan Bank Board.

CASH GRAIN MARKET CLOSES

A Chicago dispatch today states that unable to operate its cash grain department properly without the protection of futures trading, Chicago Board of Trade directors voted yesterday to close the Chicago cash grain markets today. The shutdown will last until the resumption of futures trading.

CHICAGO LIVE- STOCK MARKET

A Chicago dispatch today says: "Midwest commodity markets wavered as the full influence of the national bank holiday became effective yesterday, and some were forced to suspend operations. The Chicago Livestock Exchange, center of the Nation's meat packing industry, stumbled through a hectic day and announced the yards would be closed Tuesday at 2 p.m. 'until further notice.' Inability to work out a plan for payments to livestock producers forced the suspension. The closing of the livestock market found Chicago with about one week's supply of fresh meat on hand...The Omaha Livestock Market will remain open at least temporarily...."

Section 2

Business Conditions The Business Week for March 5 says: "Bank moratoria and deposit restrictions cast a rapidly widening shadow over the country and lower appreciably most of the indices that measure business activity....The new administration is faced at the doorstep with a cruel test. When emergency expedients have had their day, we should go on to complete unification of our present disjointed system; this is not too much to ask for the price we are paying....Steel makers feel the effect of curtailed consumer demand, though Ford drives ahead in spite of his preoccupation with the banking dilemma of Detroit....Power requirements are reduced as manufacturers and domestic consumers wait for signs of greater stability....Check payments from such cities as can still write checks show a slight increase, while demands for cash set a new high for volume of currency outstanding. The severe slump in commercial loans means merely that the banks have been selling acceptances to raise cash....Europe is unhappy. Germany seems to be plunging headlong toward open civil warfare, its pretense at a popular election of course a mere farce. Tension in Central Europe is acute. Rising interest rates on government loans reflect the nervousness of the French public about the state of French finances....Japan is buying war supplies feverishly, which has helped metal prices....On the other hand, the week is not utterly devoid of a few spring flowers--expanding residential construction, a greater volume of manufactured goods moving by freight, and a surprising firmness of commodity prices."

Corn Belt Views Roland M. Jones, Omaha correspondent of The New York Times, in the March 5 issue, says: "Prairie eyes have turned alternately from Washington to local State capitals and back again during these past few days. An air of hopeful interest in the new national administration is mingled with a disposition toward critical impatience with sweating legislative assemblies....The proposal to confer upon the President unusual powers to effect economies was generally supported as wise....In the same manner the press reflects the impression that the Middle West is well pleased with the new Cabinet....The new Secretary of Agriculture is a true product of the corn belt. In birth, education and career Henry A. Wallace is thoroughly representative of the agricultural interest's...."

Intermediate Bank Loans The following statements regarding the volume of business done by the 12 Federal Intermediate Credit Banks is taken from the Federal Farm Loan Board's annual report sent to the Speaker of the House March 3: "Federal Intermediate Credit Bank loans to, and discounts for, financing institutions during 1932 amounted to \$151,577,651, representing the largest volume of credit extended to financing institutions in any year since the banks were organized, and exceeding by \$28,844,289 the total in 1931. The advances made during the year brought the total of loans to, and discounts for, financing institutions from date of organization to the close of 1932 to \$819,096,169. The amount of such credit outstanding on December 31, 1932, was \$82,517,754 as compared to \$74,613,187 at the close of the previous year. During

the year the Intermediate Credit Banks discounted paper for or made loans to approximately 430 financing institutions. Of these 36 agricultural credit corporations, 28 livestock loan companies, and 14 commercial banks had not previously established loan and discount relations with the Intermediate Credit Banks. This brought the total number of institutions served by the Intermediate Credit Banks from date of organization to December 31, 1932, to 1,065....During 1932 the Federal Intermediate Credit Banks extended credit to cooperative marketing associations in the aggregate amount of \$89,245,114, as compared with \$145,260,386 in 1931. The amount of outstanding loans to cooperative marketing associations on December 31, 1932, was \$9,865,615...."

Morgenthau An editorial on "Conservation" in The New York Times for March 3 says: "While wishing Henry Morgenthau, jr., well in whatever career may be in store for him at Washington, devotees of the forests and streams of New York State will regret that it is to lose his competent services as Conservation Commissioner. He took his work seriously, steadily advancing the cause to which the department is dedicated, and improving the methods in use in enforcing the law and securing the cooperation of the public. His name will be chiefly identified with the \$20,000,000 reforestation program now under way, but he left his impress on a score of less spectacular undertakings; reorganization of the game protection service; rearing of ruffed grouse, a delicate breed if ever there was one; expansion of public camp site facilities; encouragement of trail-building; discouragement of unnecessary highways through the forest preserve. The famous 'blue line' around the Adirondack Park was stretched considerably during his administration, which was characterized by friendly and helpful relations with all unofficial conservation agencies...." ✓

"National Income" An editorial entitled "Positive Leadership" in Barron's for March 6 says: "...We find ourselves today with a 'national income' less than half what it was four years ago. In 1929 that income was estimated by the National Industrial Conference Board at over 85 billions of dollars; the same authority estimates the 1932 income at no more than 40 billions. In 1931 it was nearly 53 billions, and in 1930 nearly 71 billions. This is a fearsome exhibit of what has happened to our living standards--and to those of the world. Have we realized that it has happened? Have we adjusted our minds and our habits to the changed conditions? Or are we still counting on a return to 'normal'? What in fact is normal? What kind of living standard can we reasonably expect for the next few years? Who knows? It seems, however, reasonable to suppose that we shall recover, when we do recover, only when we have somewhat readjusted our minds and our habits to something like an acceptance of things as they are, with relinquishment of the hopes for a return of the feverish times of the late 1920s. Those hopes have perhaps been one of the things which have hindered us from a more prompt grappling with our difficulties, and it is time that they be finally jettisoned."

Scrip

American Bankers Association Journal for March contains an article on "Barter and Scrip," which presents an interesting survey of the uses of make-believe money. Of scrip it says: "While the barter schemes have developed the largest institutions in the general movement, they are perhaps of less importance than the scrip or local money plans which have developed out of the more simple enterprises. The scrip money movement has assumed perhaps half a dozen rather distinct forms which merge more or less into each other, all involving the use of some form of scrip or local money but representing different ideas or purposes. Usually they take the form of an issue of scrip by a city, county or relief organization in payment for work by people otherwise unemployed or in need of relief. This system assumes two forms, usually referred to as the non-self-liquidating and the self-liquidating type. In the former the scrip is issued against a fund held by the municipality, county or relief organization; it is, in short, merely an order for goods to a definite amount, paid for out of the central fund or appropriation, which may not be but usually is transferable. This system often is employed more for the purpose of identifying the recipient of relief than for any other advantage. The self-liquidating form in most cases involves the use of scrip issued by a municipal or county organization. It is valid for purchases made from a group of merchants or others agreeing to accept it but only when a stamp is affixed to it at each turnover. This is the most popular form and at present constitutes the backbone of the movement...."

Tobacco

An editorial in The Wall St. Journal for March 6 says: "Among the great problems that will come before the new administration are those of international relations, and more particularly debts, disorganized currencies, exchange restrictions and tariffs. Discussion of these matters has been voluminous, but in general terms. Perhaps a clearer understanding would be possible if the individual would look at the whole international field as affecting his personal welfare. The producers of tobacco, for instance, might well consider the relation between international affairs and the marketing of their product. Tobacco is not one of the major crops, but it is large enough to be of great importance to a portion of the population. Furthermore, it is a cash crop and Europe is the principal market for the surplus production. In the five years ending with 1928 the average farm value was \$261,000,000. In the same period the annual exports averaged 535,000,000 pounds, or 40 per cent of the production. The value of the exported portion in that period averaged \$146,000,000. So, the tobacco producers are interested in the foreign market to the extent of at least 40 per cent of their production. But the exports of tobacco have steadily declined since 1929; every year since then has shown a progressive decrease in foreign takings. That the decline will continue this year is indicated by the Department of Agriculture, if present

conditions continue. This opinion is based on a report by the department's tobacco specialist who has pointed out the probabilities of European consumption being still less this year. As a result of greatly decreased industrial activity and employment, he says, consumers' purchasing power is below the level of even a year ago. This state of affairs he correctly lays to the disorganized political and economic conditions abroad, but he remarks that a change in those conditions which would result in more employment and in increase in purchasing power would bring larger demands for American-grown tobacco. Every man who tills the soil and produces anything for sale is vitally interested in the demand for his goods and the prices the consumers will pay for them; in consequence, his welfare is connected with that of the people who purchase his products. This brings the questions of unsound monies, tariffs and debts right down to the soil, rendering them personal to every tiller of it."

Wisconsin
Hunters'
Report

An editorial in Hunter-Trader-Trapper for March says: "For the first time in Wisconsin's hunting history sportsmen and conservation authorities this year will know how many bucks were killed during the hunting season when the annual game census reports have been tabulated. Although hunters last year filed census reports, there had not been a deer season and obviously no figures were available. The annual game census report cards were filed with the conservation department on February 1 by every hunter who purchased a license in the State. Hunters can not secure licenses the following year if they did not file the report. In addition to the information on deer the reports this year will also show how many ring-necked pheasants, Hungarian partridge, and bobwhite quail were killed during the season last October. For each of these last three species and for deer the report will include mention of the county in which the game was killed.

Section 3 MARKET QUOTATIONS

Farm Products	March 6.--Livestock at Chicago: Slaughter cattle, calves and vealers; steers (900-1300 lbs.) good and choice \$5.25 to \$7.75; cows, good \$2.50 to \$3; heifers (550-750 lbs.) good and choice \$5 to \$6.25; vealers, good and choice \$4.50 to \$6.50; feeder and stocker steers, (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.85 to \$4.05; 200-250 lbs. good and choice \$3.85 to \$4.05; 250-350 lbs. good and choice \$3.75 to \$4; slaughter pigs, 100-130 lbs., good and choice \$3.50 to \$3.85; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$6.
------------------	---

No grain prices received on account of holiday. (Yesterday's report was based on figures of March 3.)

Maine sacked Green Mountain potatoes $97\frac{1}{2}\phi$ -\$1.15 per 100 pounds in eastern cities. Wisconsin sacked Round Whites $67\frac{1}{2}\phi$ -70¢ carlot sales in Chicago; 48¢-50¢ f.o.b. Waupaca. Florida Bliss Triumphs \$1.50-\$1.65 per bushel crate in city markets; \$1.10 f.o.b. Pompano. New York Danish type cabbage \$14-\$18 bulk per ton in terminal markets; \$8-\$9.50 f.o.b. Rochester. Florida Pointed type \$1.25-\$1.50 per $1\frac{1}{2}$ -bushel hamper in New York City. Texas Round type \$1.40-\$1.50 per western lettuce crate in Chicago; 90¢-\$1 f.o.b. Lower Valley Points. New York and Midwestern yellow varieties of onions brought 35¢-90¢ per 50-pound sacks in consuming centers; 50¢-55¢ f.o.b. Rochester and 50¢-60¢ f.o.b. at West Michigan points. New York No.1, $2\frac{1}{2}$ inches, Rhode Island Greening apples, 75¢-85¢ and Baldwins \$1.25 per bushel basket in New York City; Baldwins \$1.12 $\frac{1}{2}$ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, $17\frac{3}{4}\phi$; 91 score, $17\frac{1}{2}\phi$; 90 score, $17\frac{1}{2}\phi$.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, $10\frac{3}{4}$ to $11\frac{1}{2}\phi$; Single Daisies, $10\frac{3}{4}$ to 11¢; Young Americas, $11\frac{1}{2}$ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, $16\frac{1}{4}$ to $17\frac{1}{2}\phi$; Standards, $15\frac{1}{2}$ to 16¢; Firsts, $14\frac{1}{2}$ to 15¢. (Prepared by Bu. of Agr. Econ.)

No cotton report on account of 4-day moratorium on banks and stock exchanges.

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 54

Section. 1

March 8, 1933.

BANKING SITUATION

The press today states that developments in the national banking situation yesterday and the moves made in Washington to clarify it were: "There were indications in the Capital that plans for use of scrip would be abandoned in favor of a new issue of Federal Reserve currency backed by the liquid assets of the Nation's banks. The technical problem of a free interchange of scrip was understood to have caused the shift in plans. President Roosevelt was reported discussing an eight-point monetary program for presentation to Congress which would include the retention of the gold standard, suspension of gold withdrawals on gold certificates, a tax on gold hoarding and a provision of silver, in addition to the issuance of \$2,000,000,000 in emergency currency. Secretary Woodin of the Treasury promulgated seven more banking regulations to ease the strain of the national holidays, among them one permitting banks to exercise their usual functions to meet public needs for food, medicine and relief, and the payment of salaries and wages. States moved widely to amend their banking laws to cope with emergencies such as the present. Maine, New Hampshire, Connecticut and Rhode Island were among those enacting such laws."

MORGENTHAU SEEKS TO REOPEN MARKETS

The Associated Press today says: "A movement to reopen farm commodity markets was begun yesterday by Henry Morgenthau, jr., new chairman of the Farm Board, who called heads of grain exchanges for a conference this morning. Later, if efforts to set grain markets functioning prove successful, they will be extended to reopen livestock exchanges and other farm marts closed because of the banking holiday. Meanwhile the Bureau of Agricultural Economics reported that a swift increase in prices of raw materials for food appeared to have begun with the sources of supplies cut down by the closing of the markets. Generally, storage supplies are low because of the recent instability of farm prices, and in the case of perishables there is virtually no storage possible...."

"Morgenthau announced at the same time that the Grain Stabilization Corporation, through which the board attempted to 'peg' the price of wheat, disposed of its last holdings of cash wheat during the past week, about 1,300,000 bushels. It still owns 30,391,000 bushels of futures."

WHEAT IN WINNIPEG

A Chicago dispatch today says: "Trading in wheat in Winnipeg by Chicago operators is confined largely to interests that have been active in that market for some time and have ample funds there or have established credit sufficient to take care of their trades. Inability to transfer funds from the United States to Canada has tended to curtail speculative operations, and business yesterday was by no means as heavy as on the two previous business days. Refusal of Liverpool and Buenos Aires to follow the sharp advance in wheat in the Canadian market dampened bullish enthusiasm yesterday and free selling carried prices off as much as 2 cents from Monday's finish...."

Section 2

Banking
Reform

An editorial in The Business Week for March 8 says: "The Nation is paying a cruel price for neglecting so long to get at the fundamental revision of its banking laws which everyone has known for years ought to be made. It will be tragic if, after paying so dearly, we fail to get something better. But if out of this experience does come a strong and well-knit banking organization, it will in part reconcile us to our present losses. We are not referring, of course, to the abuses of individual banks or bankers who lost their heads when they and all the rest of the world were tainted by the universal insanity of the boom. We are speaking of the inherent weakness of the system. And surely we are not adventuring into new fields of thought; every writer on the banking system of the United States for years has pointed out its defects. They were well understood away back in the days when the establishment of the Federal Reserve system was under discussion. When the Federal Reserve was set up it was the firm belief of its architects that membership in the system would confer such great competitive advantages that all banks in the United States would be forced to join within a short time. That ambition never has been realized for various reasons, none of them valid objections to the original intention. Since voluntary persuasion has failed, unification must now be accomplished by compulsion. A unified banking system is the first and indispensable foundation stone of a real banking system. We can not go on with 50 banking systems--one for each of the 48 States, a national bank system, and the Federal Reserve compounded of both. With unification must come branch banking, to provide banking service for communities that have no business trying to support an independent institution. Next should come guarantee of bank deposits. A year ago, every banker was opposed to deposit guarantees. It has been interesting to see banker opinion slowly veer around until now a respectable minority are not a bit shocked at the idea, whether fully convinced or not. Bank deposits could be insured, and for a small premium....Security affiliates should be divorced from banks. That is sure to be done. There is something to be said for the affiliates, admittedly. But there is more to be said against them. There are the fundamentals of a sound banking system...."

Farm
Aid
Plans

An A.P. dispatch March 7 says: "...Rising to replace the allotment plan, with a possibility it might be made effective for the current crop year, is the proposal for acreage rental by the Federal Government....The form of the rental plan provides that the Secretary of Agriculture shall determine, in regard to a given crop, how many acres should be taken out of production to limit the crop to domestic needs. The Secretary would then fix the acreage needed for each State and follow this with a call for bids from farmers in every State to offer land for rent to the Government. The Government would then contract to remove from production areas in every State capable of producing that part of the crop which would not be required to meet domestic needs. States would be required to release these lands from the payment of taxes. If the rental plan was limited to reducing the acreage

of corn, wheat and cotton, estimates of the rental cost vary from \$300,000,000 to \$500,000,000, of which \$150,000,000 to \$250,000,000 would be required for wheat curtailment alone. Two methods of raising funds to meet the rental costs are under consideration. One would provide for payment out of the Federal Treasury; the other calls for levying a tax on processors which would be passed on to the consumers, similar to the tax proposed for financing the allotment plan."

Farm Tharratt G. Best, writing under the title "Inspection-
Mortgage Rating of Farm Mortgages" in American Bankers Association Journal
Rating for March, says: "To acquaint ourselves more fully with the physical condition of properties in which our bank possessed an interest, it was decided to place all mortgages upon an annual inspection basis. The first step to facilitate this inspection was to locate all mortgages lying outside the corporate limits of the municipality upon the United States geological maps, using blue pins upon mortgages of a satisfactory nature as to amortization, and red pins upon those which had undergone criticism by the bank examiners. The pins were then indexed and the mortgages divided into three circuits or routes in order to reduce to a minimum the mileage required to visit the properties. The actual inspection is made either in the early spring or late fall when there are no leaves on the trees, since foliage tends to conceal shortcomings and in particular, gives a false impression of the farmer's wood lot. The fact ^{is} in making this inspection the bank is showing a friendly interest in his enterprise and home and not displaying an attitude of caustic criticism, and, furthermore, that his success means the bank's success. All buildings are thoroughly surveyed from a point of age and utility and defects are carefully noted upon a card arranged for five annual inspections. The roofs of the house, barn and other buildings, the condition or absence of improvements such as plumbing, heating and wiring are impartially observed and noted. The number of cattle and their condition, particularly the 'milkers,' the appearance of the farm machinery and the condition and numbers of other livestock and farm equipment, are inventoried upon the card.... The fuller acquaintanceship with both the mortgagor and his property has proved its value in various ways and enabled us to give wiser consideration to any particular lien when occasion demands. The great advantage of this policy, however, lies in the ripper and more friendly spirit existing between the bank and its customer."

Morgenthau An editorial in The Wall Street Journal for March 4
Plan says: "President-elect Roosevelt has stated it to be his intention to consolidate all farm activities of the Federal Government under one agency, and to cause the liquidation of the Farm Board's wheat and cotton stabilization operations as rapidly as possible. At the moment there are some problems so important and so urgent as to eclipse an announcement like this, yet for a substantial part of the country's business this proposed action

should result in no mean benefit. Agricultural credit functions of the Government are scattered among a number of different agencies, including the Federal Land banks, the Intermediate Credit banks, seed loans handled by the Secretary of Agriculture, the emergency agricultural loans controlled by the Reconstruction Finance Corporation, and the operations of the Farm Board which, under the pleasing name of 'stabilization,' has been the banker for certain cooperatives. These agencies now will be consolidated under the chairmanship of Henry Morgenthau. Economy and efficiency should be effected by this move....Most immediately beneficial is the announcement that the stabilization operations will be liquidated as rapidly as possible. That means an end to Government operations of this nature, including corners and squeezes....Surplus stocks of wheat and cotton have been a dead weight upon the market. To get them out of the way as soon as possible will be beneficial to all concerned and, knowing that there will be no more interference through official stabilization proceedings, the grain and cotton markets and producers should hail this proposed consolidation as a genuinely constructive step."

Wheat Con- An editorial in The New York Times for February 7 says:
ditions "On the Winnipeg Grain Exchange wheat futures advanced Monday in heavy trading. All three options--May, July and October--added about two cents a bushel to a similar gain achieved on Saturday. July wheat closed at 53 3/8 cents, compared with a recent 'low' for the year of 44 1/2 cents in Chicago. As was to be expected, some reports attribute this rise exclusively to 'hedging' against consequences of the banking situation in the United States. But they overlook other and more direct influences. One of these is the weather. Kansas and Nebraska have had a lack of moisture since the present crop of winter wheat was planted....In consequence of these adverse conditions, unofficial estimates published on Saturday in Chicago forecast a total production of winter wheat of from 370,000,000 to 400,000,000 bushels. This compares with an estimate of 510,000,000 bushels a year ago and with a crop of 787,000,000 bushels in 1931. If present forecasts are correct, this year's yield of winter wheat will be the smallest since the war....Added to these factors affecting the market are the statement made on Friday by the retiring chairman of the Farm Board, Mr. Stone, that the Government has at last disposed of practically all its 'stabilization' wheat, and the comment of his successor, Mr. Morgenthau: 'The new Administration is going to get the Government out of wheat and cotton as quickly as possible.' These developments seem clearly to have contributed to a rising market in wheat which, if sustained, would be an important element in recovery."

Section 3

Department of
Agriculture

 An editorial in The Washington Post for March 6 says:
"So far as the farmer is concerned, the new deal will consist of 'an orderly retreat from production of farm lands now devoted to surplus crops.' The quoted words constitute the slogan of Henry A. Wallace, of Iowa, the new Secretary of Agriculture. Mr. Wallace

is not deluded by any chimerical hopes of disposing of agricultural surpluses abroad. He is convinced that for the most part American agriculture must trim down its output to the needs of the domestic market. A glance at a commodity price index suggests the chief difficulties of the farmer. In a period of diminishing demand he has been unable to reduce his production. Hence surpluses have piled up and become a crushing weight upon farm prices. The latest calculation of the Bureau of Agricultural Economics shows that agricultural prices on February 15 were only 49 per cent of the 1909-14 average. This is the lowest point reached in 23 years....Too much sentiment has been wasted on the loss of foreign markets by the farmer. As a matter of fact, only a few American farmers can afford to sell their products outside of the United States, because world prices are so low. Furthermore, the nations of Europe insist upon encouraging their own agriculture with subsidies as a means of national defense and for the preservation of wholesome farm life. When the demand for farm produce does increase abroad, Canada, Argentina and Australia are in a position to supply the demand more economically than can American farmers. Most students of agriculture will agree with Secretary Wallace that his objective is right. Previous administrations have also sought to eliminate surplus production. It remains to be seen whether Mr. Wallace can devise a sound method of accomplishing his purpose."

Section 4 MARKET QUOTATIONS

Farm Products

March 7.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$5.50 to \$7.75; cows, good \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$5.25 to \$6.50; vealers, good and choice \$5 to \$7; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$4.25 to \$4.40; 200-250 lbs. good and choice \$4.25 to \$4.40; 250-350 lbs. good and choice \$4 to \$4.30; slaughter pigs, 100-130 lbs., good and choice \$3.75 to \$4.15; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.50 to \$6.25.

Maine sacked Green Mountain potatoes 90¢-\$1.15 per 100 pounds in eastern cities; few 45¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-75¢ carlot sales in Chicago. Florida Bliss Triumphs \$1.60-\$1.75 per bushel crate in midwestern cities. New York Danish type cabbage \$15-\$18 bulk per ton in terminals; \$8-\$8.50 f.o.b. Rochester. Florida Pointed type 93¢-\$1.12½ per 1½-bushel hamper in New York City. Texas Round type \$1.40-\$1.75 per western lettuce crate in Chicago; 90¢-\$1 f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions brought 35¢-90¢ per 50-pound sack in consuming centers; few 50¢ f.o.b. Rochester and 60¢-65¢ f.o.b. West Michigan. East Shore Maryland and Delaware Jersey type sweet potatoes 75¢-\$1.15 per bushel tub in eastern cities. Tennessee Nancy Halls 50¢-60¢ in the Middle

West. New York Rhode Island Greening apples, No.1, $2\frac{1}{2}$ inches, 75¢-80¢ per bushel basket in New York City; 75¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, $17\frac{3}{4}$ ¢; 91 score, $17\frac{1}{2}$ ¢; 90 score, $17\frac{1}{2}$ ¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, $10\frac{3}{4}$ to $11\frac{1}{2}$ ¢; Single Daisies, $10\frac{3}{4}$ to 11¢; Young Americas, $11\frac{1}{2}$ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Specials, $16\frac{1}{4}$ to $17\frac{1}{2}$ ¢; Standards, $15\frac{3}{4}$ to 16¢; Firsts, 15¢. (Prepared by Bu. of Agr. Econ.)

No grain or cotton reports on account of exchanges being closed, and 4-day bank moratorium .

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 55

Section 1

March 9, 1933.

THE NEW CONGRESS The Seventy-third Congress of the United States will convene at noon today. A press report says: "Called in special session by President Roosevelt to consider emergency measures at a time when the economic pendulum of national life has been described as being at the depth of its swing, the new Congress will be under control of the Democratic party...."

BANK RELIEF PLANS The press today says: "President Roosevelt and a bipartisan group of thirteen congressional leaders agreed last night upon a program of legislation to be laid before the special session of Congress today and designed to strengthen the hand of the Executive in dealing with the financial crisis. The outstanding feature of this legislation, details of which were withheld, is a provision for a new issue of Federal Reserve Bank notes based upon Federal bonds, to be put out at once and to constitute what the administration regards as an adequate circulating medium until general bank reorganization can be resorted to. With the passage of this legislation, it is proposed to reopen some of the banks on Friday. Assurances were given by Democratic and Republican legislators alike that the bill would be enacted at today's session...."

Announcement was made from the Treasury that Federal Reserve notes up to \$2,000,000,000 would be issued in lieu of scrip, the notes to be put in circulation by both State and national banks.

President Roosevelt issued a brief statement last night in which he referred in general terms to the measure to come up for consideration in Congress today, saying that he had been assured of its passage and that he was convinced that it "will immediately relieve the situation and at once start banking operations throughout the entire country...."

THE SECRETARY CALLS MEETING The press today reports: "In the hope of finding some new plan of farm relief capable of being applied to this year's crops and 'provide an orderly retreat for the over-extended part of our agriculture,' Secretary Wallace announced yesterday that he had called a conference of representatives of the farm organizations and cooperative associations dealing in export commodities to meet here next Friday. The Secretary hopes to obtain 'immediate agreement' among the farm leaders on some plan which can be ready for submission to the special session of Congress, beginning today, and can be placed in operation by March 15. He said the plan would have to be ready for application by that date in order to affect this year's crops...." ✓

FEWER BRITISH UNEMPLOYED A London dispatch today states that a drop of 46,527 in the number of unemployed during February was announced last night. The British total now stands at 2,856,638, of whom 2,241,168 are described as wholly unemployed.

Section 2

Alcohol and Agri- culture An editorial in The New York Times for March 8 says: "In nearly a score of countries alcohol is now mixed with gasoline. The object is not so much to benefit agriculture as to curtail importation of petroleum derivatives. German, Austrian, Hungarian motor trucks and automobiles run well enough on mixtures of alcohol and gasoline. Why not introduce the practice here? Legislate a little alcohol into every gallon of gasoline and the farmer would pay off his mortgage, we are told. The admixtures recommended run from a minimum of 2 to a maximum of 20 per cent. Even with the 2 per cent mixture a demand for 120,000,000 bushels of corn would be annually created. If 20 per cent were prescribed, as in Czechoslovakia, the Corn Belt would become the Promised Land. There can be no question that alcohol is a good fuel for automobiles when engines are designed to burn it. Gasoline with but 2 per cent alcohol would cause no complaining on technical grounds. When the proportion is raised to 10 and 20 per cent there is a noticeable falling off in engine performance and a reduction in mileage. Alcohol is at its best when compressions are high. Gasoline is a low-compression fuel, as compressions go. Carburetors and engines must be modified if fuels are to contain much alcohol. Apart from these economic and engineering considerations, the chemist would question the soundness of alcoholic farm belief. The alcohols are so obliging. The most obliging of all is ethyl alcohol--the kind distilled from grain. Almost anything that can be made to ferment will yield it. Fruits, potatoes, vegetables are all good raw materials....So it seems that because it stands ready to oblige half a dozen industries, alcohol must leave the farmer exactly where he is now, with corn, potatoes and fruits begging for a market."

Baltimore Credit Bank Loans Loans and discounts to financing institutions by The Federal Intermediate Credit Bank of Baltimore were \$3,050,817 at the close of 1932, compared to \$2,892,019 a year earlier, according to the statement of condition just made public by the Federal Farm Loan Board in Washington. Although there is a slight increase in this line of business, the loans to farmers' cooperative marketing associations show a distinct falling off, being \$489,637 at the beginning of this year compared to \$1,387,849 at the beginning of last year. Commenting upon this shift in loans, Chas. S. Jackson, president of the bank at Baltimore, said yesterday: "At the beginning of this year a few more local institutions were discounting agricultural paper with the Federal Intermediate Credit Bank than a year ago. This accounts for the slight increase in the discount and loan business with local financing institutions. The loans and discounts to financing institutions at the beginning of 1933 were divided among agricultural credit corporations and state banks, the former having \$1,239,731 and the latter \$1,811,086. The decrease in loans to farmers' cooperative marketing associations is largely accounted for by the payment of the loan to the Cotton Stabilization Corporation on warehoused cotton...."

California's Plan for Surpluses The Pacific Rural Press for March 4 says: "California has a chance to step out in advance of the world with a new plan of limiting crop surpluses. The Agricultural Prorate Bills pend in both Senate and Assembly at Sacramento, with an increasing number of friends. In the Senate it is No. 409, introduced by Hays. In the Assembly the identical bill is No. 1122, sponsored by Meeker, Scudder, Cloudsley, Samuel E. Robinson, Alter, O'Donnel and Zion. The Farm Bureau is the father of the bill and the Giannini Foundation is a sort of godfather because it made the study on which the idea of the bill is based. Briefly it is the tested Oklahoma oil bill, applied to agriculture. You will want some general facts to give this bill the push it needs. Here they are: The Governor names an Agricultural Prorate Commission of nine members, four producers, two handlers, three consumers. For example: cling peaches, or artichokes, or mayhap cantaloupes, want to establish a prorate. Fifty growers can petition the commission to hold an election of growers to decide, or two-thirds of the growers can petition for a prorate making an election unnecessary. The crop sets up a committee under the direction of the commission, and certificates are issued to each grower, telling each how much of the crop he may sell. If it is decided that 75 per cent of the crop is sufficient for consuming needs, and if it is agreed the prosperity of the state will be served by marketing only 75 per cent of the crop, then each grower is limited accordingly. The effectiveness of the prorate plan shows up at harvest time. The grower has to have prorate certificates in order to sell his crop and the buyer dare not buy the crop unless it is accompanied by a proper prorate certificate. A fee is collected off the producer when he obtains his certificate and this money pays for checking up the producer and the buyer, with fine and imprisonment facing either if he is caught cheating....Please do not confuse the prorate plan with compulsory cooperation. Compulsory cooperation provides that every grower must join a cooperative and make delivery to the co-op. The prorate plan does not interest itself in how you market, but merely in how much you market...."

Egyptian Farm Mortgage "The Egyptian government will assume approximately two-thirds of the Nation's farm mortgages to avoid foreclosures, the Commerce Department has been informed in cables from Cairo. The government's plan includes close cooperation from the interested mortgage banks. Banks are reported to have given their provisional agreement to the mortgage relief program, which would extend the mortgage period from 10 to 30 years, including arrears with capital sums owed. The government will take two-thirds of the arrears, paying the banks with treasury bonds. Debtors will repay the banks who in turn will refund the government with two-thirds of each annual instalment until the government has recovered its advances." (Wall St. Jour., Mar. 8.)

Farm Credit Administration Commerce and Finance for March 8 says: "Following the announcement of his selection by President Roosevelt as chief administrator in the 'new deal' for the farmer, Henry Morgenthau, jr., forecast the end of the Federal Farm Board and its replacement

by the 'Farm Credit Administration,' which he christened the new farm relief set-up, 'for want of a better name.' The new agency will occupy the offices filled by the Farm Board since the summer of 1929 and will be made up of five divisions, according to the phases of the farm problem they will handle. The division heads will sit as a commission with Mr. Morgenthau at the head, and he, in turn, will be responsible directly to the President and will work closely with Henry A. Wallace, the new Secretary of Agriculture. Into the new divisions will be placed the functions of nearly twice as many farm agencies and bureaus; now scattered throughout Washington, with a potential saving to the Government of several millions annually. The new administration will take over the Federal Farm Loan Board and the various farm-financing institutions it operates, including the Federal Land Banks, Joint Stock Land Banks and Federal Intermediate Credit Banks. It will absorb the seed-loan operations of the Department of Agriculture and the crop-production financing by the Reconstruction Finance Corporation, and, 'last, but not least,' said Mr. Morgenthau 'we shall continue the loans to the cooperatives.'..."

Italian
Educa-
tion
Reforms

Howard R. Marraro, a member of the faculty of Columbia University, writing under the title "The New Education in Italy" in Current History for February, says: "...The educational reforms introduced by the Fascist Government during the ten years of its existence are far-reaching. It is enough to read the history of Italy since 1815 to regard with intense sympathy her struggle for nationhood. After fighting for the right to become a united nation for more than fifty years she began her effort to build a nation from a heterogeneous population that was more than 75 per cent illiterate, with no money, no industry, no railroads and very limited natural resources. In spite of the shock of the World War and the series of economic and social disturbances which followed, the Italians have reduced illiteracy to 21 per cent, and they have created a school system which endows the new generation with energy of thought and will, and seeks to develop a culture that truly represents the manifold powers of the Italian race...."

Russian
Wheat

Richard J. Mayer, writing under the title "Russia's Wheat Dream--An Obituary" in Barron's for March 6, says: "In a Moscow office today there paces a Georgian, successor to the late Lenin's mantle as dictator of all the Russias. The brow of the man whom 160,000,000 Soviets have termed 'The Man of Steel' is furrowed in thought. The eyes are still those of the far-seeing visionary, the dreamer of a Russia, some of whose possibilities are yet unborn. They still gleam with that ice-chill courage and determination that are the hallmark of Josef Stalin. But they are troubled eyes. For while Russia's latest Five-Year Plan ended with some undoubted achievements, it has only partial fulfillments to its credit. Industrial production was stepped up slightly less than 20% last year, but the plan's objective was for 34.7%. According to the latest 1926 census figures, some 85.6% of the Soviet population were rural. It was with the

slogan 'Peace and the Land!' that the peasants were won over to the support of the Communist party, thus sealing the doom not only of Tsarism but also eliminating any liberal parties which might have catapulted into power had they won their support. And the agricultural machine that ran so smoothly as late as 1930 has slowed down to a mere walk. Thus in Moscow, as in Washington, the problem of farm relief is pressing. Consider that the American farmer constitutes only 25% of our population; multiply that in Russia by more than three-fold; add also the fact that Russia is faced with the problem under its present setup of financing its purchases of industrial equipment made abroad by sales of surplus agricultural products--even when such a surplus does not exist and can be derived only at the expense of the people themselves--and one may grasp the bare outline of the problem that faces Stalin. Grain piracy has become common over Russia; collections in 1932 fell off about 12% in quantity below the preceding year, in which they were also incomplete; this season's wheat exports are running less than 25% of a year ago, and imports for seeding purposes in excess of these exports are likely shortly; a food shortage has swept the nation; the 1933 prospect for next August's completed wheat crop is highly unfavorable, even more so than the past two seasons. What is to be done for the people? Desperate action is needed...."

Section 3 MARKET QUOTATIONS

Farm Products

March 8.--Livestock: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$5.25 to \$7.50; cows, good \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$5 to \$6.25; vealers, good and choice \$5 to \$7; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.85 to \$4; 200-250 lbs. good and choice \$3.85 to \$4; 250-350 lbs. good and choice \$3.75 to \$3.90; slaughter pigs, 100-130 lbs., good and choice \$3.50 to \$3.85; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$6.

Maine sacked Green Mountain potatoes 90¢-\$1.15 per 100 pounds in eastern cities; few 47¢-50¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-75¢ carlot sales in Chicago; 46½¢-52½¢ f.o.b. Waupaca. New York Danish type cabbage \$14-\$18 bulk per ton in terminal markets; \$8-\$8.50 f.o.b. Rochester. Florida Pointed type \$1-\$1.25 per 1½-bushel hamper in the East. Texas Round type \$1.50-\$1.75 per western lettuce crate in Chicago; 90¢-\$1 f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions brought 35¢-90¢ per 50-pound sack in consuming centers; 50¢-70¢ f.o.b. Rochester and 55¢-70¢ f.o.b. West Michigan points. New York, No. 1, 2½ inches, McIntosh apples \$1.25-\$1.50 per bushel basket in New York City; Rhode Island Greenings 75¢-80¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, $18\frac{1}{4}\phi$; 91 score, 18ϕ ; 90 score, 18ϕ .

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, $10\frac{3}{4}$ to $11\frac{1}{2}\phi$; Single Daisies, $10\frac{3}{4}$ to 11ϕ ; Young Americas, $11\frac{1}{2}$ to 12ϕ .

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Specials, $16\frac{1}{4}$ to $17\frac{1}{2}\phi$; Standards, $15\frac{3}{4}$ to 16ϕ ; Firsts, 15ϕ . (Prepared by Bu. of Agr. Econ.)

No cotton or grain reports on account of exchanges being closed.

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 56

Section 1

March 10, 1933.

BANK HOLIDAY EXTENDED

The press today states that after signing emergency banking legislation which the Seventy-third Congress, convened in special session, had passed during the short space of 7½ hours yesterday at his request, President Roosevelt at 10:10 o'clock last night issued a proclamation extending the national bank holiday and the gold embargo indefinitely until he shall have time to put into effect the provisions of the measure. The report says: "This deferment of the reopening of banks already rated as sound by tests which national bank examiners have been making during the last two days was made necessary by the fact that there was no time before this morning to issue the necessary regulations...."

THE ECONOMY PLAN

The press today says: "Discretionary power to reduce Federal salaries up to a 15 per cent limit, and scale down pensions and veterans' benefits on a wide front, will be asked of Congress today by President Roosevelt. Details of the broad retrenchment program, contemplating economies estimated between \$500,000,000 and \$600,000,000, will be sent to both Houses in two separate messages from the White House. They will be followed by a third message tomorrow, outlining details of a sweeping relief program, calling for a \$500,000,000 Federal bond issue to finance public works and reforestation activities...."

FARM BOARD CONFERENCE

Henry Morgenthau, jr., chairman of the Federal Farm Board, was in conference Wednesday and Thursday with Peter B. Carey, president of the Chicago Board of Trade, and other representatives of grain exchanges and of the flour milling industry, to determine whether it was possible and advisable to work out a plan under which transfers of wheat futures could be made during the bank holiday. The representatives of the grain exchanges were called into conference by Mr. Morgenthau after he had received telegrams addressed to the Grain Stabilization Corporation from many millers requesting that they be permitted to buy futures held by the Grain Stabilization Corporation, for the purpose of releasing hedges covering their sales of flour. The millers represented that their inability to buy in futures was an obstacle to their making flour sales and had caused mills to restrict their operations. Permission of the Chicago Board of Trade and other exchanges was found to be necessary to permit such transfers of futures. In view of the President's message to Congress yesterday and the prospect of early resumption of banking activities, with consequent reopening of the exchanges, it was decided to defer action. (Press, Mar. 10.)

FARM BOARD SECRETARY

Announcement was made March 8 of the appointment of Herbert E. Gaston of Albany, New York, as secretary of the Federal Farm Board. Mr. Gaston recently resigned as deputy commissioner of the State Department of Conservation of New York to accept this position.

Section 2

Farm
Debt

"A special committee of the Grange, making a study of the money and banking situation, has prepared material indicating that the average farm debt contracted during the past eight years must today be paid off in terms of dollars which represent nearly three times as much purchasing power in terms of farm products as when the debt was contracted. The Grange people point out in their study that this means the average farmer who thinks he is paying 6 per cent interest is, in effect, paying nearly 18 per cent interest. The man who, in 1925, agreed to pay \$60 a year because he borrowed \$1,000, now finds that it is as hard to pay \$60 as it would have been to pay \$180 at the time the debt was contracted. Of course, this same approach as worked out by the Grange people might also be applied to taxes. The average farm tax of perhaps 100 mills really represents a burden of 300 mills with the general situation as it is today." (Wallaces' Farmer, Mar. 4.)

Federal

Research
Laboratory
March says: "Research at public expense. From time to time we have discussed the field of work for research at public expense.

We have stressed that Federal laboratories in particular should confine themselves to fundamentals where the results can be generally utilized; and should studiously refrain from undertaking work that can be better done in the industries. We believe that, unless a piece of work is of sufficient general interest to command public support through appropriations, it had best be left to the private laboratories of industry or to the consultants employed for the purpose. Of late, public opinion has taken repeated exception to the competition of the Federal Government with private agencies. Some of the work of the laboratories is involved. It may be true that, at times, some work has been undertaken for the sake of making a favorable impression upon appropriation committees....But more often we believe the fault to lie with industry itself. Many a one seems to feel that, as a taxpayer, he is entitled to have something done for him in a government bureau. He brings influence to bear through men in public life and ultimately gets done at public expense work which he should have had performed at his own individual cost. We believe the majority of those in the Federal laboratories prefer research in fundamentals, but instead they often find themselves required to do that which industry could do better and leave undone that which the Federal laboratory can undertake to best advantage. But who in industry has actually supported a program of fundamental research for the government laboratories? Has not the urge more often been to do some 'practical' job? How many of us who have complained of government scientific programs have taken the trouble to write either to the bureaus or to our representatives in Washington, pointing out the need for fundamentals, applauding a piece of basic research, and asking that more of that sort of thing be done at public expense? To talk among ourselves about this sort of thing may crystallize ideas, but otherwise it is not very helpful. If you believe in the conduct of fundamental research in the laboratories supported by Federal appropriations, then say so in some tangible form where it will do good."

Frankfurter "What We Confront in American Life" is the title of a recent address by Felix Frankfurter quoted in Survey Graphic for March. This says in part: "We must start and start quickly upon the execution of a program of re-employment. All else is secondary. The present trend of things must be reversed, and must be reversed at a rather rapid tempo. A change in direction and assurance that new processes are under way are indispensable. Mr. Roosevelt's admirable Tennessee Valley project is an example of what must be done on a large scale. By a well-planned, co-ordinated public-works program of adequate magnitude, quickly entered upon, the United States and the States could, within six months, put to work directly some two million men, and indirectly perhaps two million more. It would set in motion many wheels now idle; it would help transportation, agriculture, manufacture and merchandising. Such a program would have to be related to a socially sound taxing system. Ultimately it ought to be financed by high estate and income taxes, worked out by the National Government in cooperation with the States. Needed permanent investments for the country's welfare would thus be made, and they would not involve competition with private enterprise. Despite our present plight, we have it more than ever within our power to be masters of our fate, so far as our external lives are concerned, if only we have the will to translate knowledge into action and to gain further knowledge by action. 'The Western World,' writes John Maynard Keynes, 'already has the resources and the technique, if we could create the organization to use them, capable of reducing the economic problem, which now absorbs our moral and material energies, to a position of secondary importance....The day is not far off when the economic problem will take the back seat where it belongs and the arena of the heart and head will be occupied, or reoccupied, by our real problems--the problems of life and of human relations, of creation and behavior and religion.'"

Leading Agricultural Counties An editorial in The Rural New-Yorker for March 11 says: "The Census Bureau has listed 50 leading agricultural counties, based on the value of crops and livestock products. First is Los Angeles County, California, \$90,706,077. Aroostook, Maine, comes next, \$54,350,723. In number of high producing counties, California stands ahead, with 17. The five States, Pennsylvania, Wisconsin, Mississippi, New York and Illinois, all have four such counties. As usual, Lancaster leads in Pennsylvania, with \$32,306,339. New York's four counties are: St. Lawrence, \$19,-458,603; Jefferson, \$15,261,663; Delaware, \$15,014,614; Oneida, \$14,847,199. In these four New York counties livestock products accounted for \$45,484,176, or about 70 per cent of all the farm products of the counties."

Milk and Tuberculosis Gordon Tippet, writing under the title "Clean and Safe Milk, and the Prevention of Tuberculosis" in The Medical Officer (London) for February 18, says: "As it was on my suggestion that the People's League of Health set up their recent special committee of medical, veterinary and scientific experts

to go into the question of clean and safe milk, and the danger to human beings from milk containing living germs of bovine tuberculosis, I should like to offer the following observations. If dirty milk containing not only germs of tuberculosis but also other disease-carrying germs, is given to human beings, then it must follow as a result we must expect to get human beings (children as well as adults) suffering from these diseases. If these facts can be demonstrated, then as medical men we must do our best to press the Government to take such action as to safeguard the health of the public against these risks. If it could be demonstrated beyond question that these diseases are at times caused by the public consuming dirty, poisonous milk, then it seemed to me that our duty must be to press for legislation. Unfortunately the profession seems very loth either to make up its mind to agree to anything or to ever press as a united body for some reasonable political action to be taken with a view of protecting the public health....Milk plays such an important part in the lives of infants and children that it seemed quite reasonable to go into the question whether they are in fact ever infected with tuberculosis from milk, as, although cream and butter may contain tubercle bacilli, the main source of infection must come from milk. The work that Dr. A. Stanley Griffith, of Cambridge, has done proves beyond any manner of doubt that human beings do become tubercular from milk poisoning. The white paper published by the Ministry of Health admits that probably over 1,000 young persons under 15 years of age die each year poisoned in this way. This number is probably far below the truth, as unfortunately in children tuberculosis so often is not recognized. As to the number of children who do not die from this poisoning, but grow up diseased, crippled and handicapped throughout the rest of their lives, we have no idea, as the notification of cases of non-pulmonary tuberculosis is quite neglected by the profession. But it is probable that from 10,000 to 20,000 children are poisoned by tuberculous milk each year, and of this number only a small proportion die. The great majority grow up and the disease either dies out in the course of time, or these children remain tubercular as long as they live, and suffer from various well-known forms of this disease, such as curvature of the spine, joint disease, bone disease, gland disease, or even from a continued state of poor health. It is obvious that such persons probably suffer throughout the whole of their lives from these disabilities, and what that loss represents in the total must be enormous...."

Paish A London dispatch to the press of March 9 says: "Sir
on Emergency George Paish, international economic expert who for years
predicted the present world financial debacle, said in an interview March 8 that the world is threatened with a complete collapse of trade and credit unless the international economic conference is convened immediately. He paid tribute to President Roosevelt's emergency measures as 'statesmanlike' and urged the United States Government to guarantee 50 per cent of bank deposits."

Poe on Clarence Poe, editor of The Progressive Farmer and Standards Southern Ruralist, writing under the title "America Needs Stable Money" in Review of Reviews and World's Work for March, says: "...Somehow or other some plan for stabilizing the dollar must be effected. It is necessary in order to secure a just settlement--or in fact, any real settlement at all--of America's present crushing burden of public and private debt. It is necessary in order to alleviate present disorders in foreign exchange. It is necessary in order that creditors who lend, as well as debtors who borrow, shall know what actual values--in goods or real purchasing power--will be given or received when paytime comes. Cautious creditors now specify that debts shall be payable in gold dollars 'of present standard and weight and fineness'--with the result that this may mean anywhere from 64.8 cents to \$1.63 in purchasing power, as it has meant in the last sixteen years, and thus affords no genuine protection even to creditors. But with the adoption of the commodity index dollar, creditors could make sure of a settlement fair alike to borrower and lender by specifying in the contract: 'If the value of the dollar as determined by the aforementioned commodity price index is hereafter increased or decreased by congressional action, then the amount of this loan in dollars shall be correspondingly increased or decreased.' Both borrower and lender would in this way be safeguarded. It is indeed gratifying that at last American agriculture seems sufficiently conservative, and American business sufficiently progressive, to unite in a demand for genuinely stable money. After the tragic experiences America has just been through, all commerce will lag, all business with halt, all enterprise will be frightened, all development on the farm and in business will be checked, if every man must make future plans with no assurance as to whether the dollar at pay-time will be worth 50 cents, \$1, \$1.50, or \$2 in commodity values. It is a problem that must and can be solved."

Section 3 MARKET QUOTATIONS

Farm Products March 9.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$5.25 to \$7.50; cows, good \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$5 to \$6.25; vealers, good and choice \$5.50 to \$7.50; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.65 to \$3.75; 200-250 lbs. good and choice \$3.60 to \$3.75; 250-350 lbs. good and choice \$3.40 to \$3.65; slaughter pigs, 100-130 lbs., good and choice \$3.25 to \$3.50. Slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.25 to \$5.75.

Maine sacked Green Mountain potatoes ranged 90¢-\$1.15 per 100 pounds in eastern cities; 50¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 77½¢-80¢ carlot sales in Chicago; 48¢-54¢ f.o.b. Waupaca. New York and Midwestern yellow varieties

of onions brought 35¢-\$1 per 50-pound sacks in consuming centers; 60¢-75¢ f.o.b. Rochester and 60¢-70¢ f.o.b. at West Michigan points. New York Danish type cabbage \$14-\$18 bulk per ton in terminal markets; \$8-\$9 f.o.b. Rochester. Florida Pointed type 93¢-\$1.25 per 1½-bushel hamper in the East. Texas Round type \$1.50-\$1.85 per western lettuce crate in Chicago; 85¢-\$1 f.o.b. Lower Valley points. New York, No.1, 2½ inch minimum, McIntosh apples \$1.25 per bushel basket in New York City; Rhode Island Greenings 80¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¢; 91 score, 19¢; 90 score, 19¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¼ to 11½¢; Single Daisies, 10¾ to 11¢; Young Americas, 11½ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Specials, 16¼ to 17½¢; Standards, 15¾ to 16¢; Firsts, 15 to 15½¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 57

Section 1

March 11, 1933.

ECONOMY PLANS

The press today says: "President Roosevelt sent to Congress yesterday a request that the Government's credit be further buttressed with a drastic reduction in expenditures, and followed it an hour later with a detailed plan to save more than \$500,000,000 from veterans' compensation and Federal salaries. The President proposed that the whole system of compensation, gratuities and hospitalization of World War and Spanish War veterans be revised and that a pension system, with himself at its head, be substituted. He suggested further that all Federal salaries be reduced, with the diminished cost of living as a basis and himself as almost the sole arbiter of specific reductions. A measure to carry these proposals into effect, and bearing the label, 'A bill to maintain the credit of the United States,' was introduced in both Senate and House soon after his message was read. Democratic leaders in the House immediately called a caucus for 10 a.m. today with the aim of passing the measure by nightfall. The Senate finance committee began a study of the measure, Chairman Harrison declaring it would be reported today and placed in position for immediate consideration.... Chairman McDuffie of the House economy committee said last night that his group had unanimously approved the bill..."

THE BANKING SITUATION

The press today states that with billions of dollars in new Federal Reserve Bank notes already distributed in the 50 principal financial centers of the country, the Treasury set in motion last night its broad program looking to a general resumption of normal banking operations. The report says: "It is anticipated that, save for emergency regulations governing gold payments, unrestricted banking functions will be resumed generally throughout the country by midweek, with some banks resuming today."

THE SECRETARY'S CONFERENCE

The press today reports: "A group of fifty national farm leaders, meeting with the Secretary of Agriculture yesterday in an attempt to shape a farm program to affect this year's crops, announced yesterday afternoon that no agreement had as yet been reached. They declared they would remain in session, however, until an agreement is reached. They plan to meet again today. The farm leaders were unanimous in their opinion that the agricultural emergency calls for prompt and drastic action. Only a prompt advance in prices of basic farm products, in the opinion of these farm leaders, can restore a fair exchange basis between agriculture and industry and make possible resumption of normal business activity. The farm group agrees that farm production must be adjusted to consumption, and favors the principles of the so-called domestic allotment plan as a means of reducing production and restoring farm buying power. They admitted serious, but not insurmountable, differences of opinion in the method to be used. The plan in its final form, they hope, will avoid some of the objections made to previous measures, and will be enacted at an early date. The proposal that some plan of renting land out of production be adopted is receiving favorable consideration...."

Section 2

Cotton Situation An editorial in The Weekly Kansas City Star for March 1 says: "Cotton differs from other crops in that more than one-half of the total production is exported. Due to increased acreage and attempts to stimulate prices by the Farm Board a tremendous surplus has accumulated. Some effort has been made to adjust production and the 1932 crop was nearly $4\frac{1}{2}$ million bales under that of the preceding year.... Such a condition requires more than ordinary efforts to stimulate sales as well as reduce production.... The cotton situation is more acute than that of any other crop. It is more dependent upon foreign markets than any other. Proposed legislation would tend to correct a situation which has developed during a period of government control. It is an emergency measure which might be of tremendous help and could not be extended another year to cotton or to other crops in the current year."

Dairy Courses An editorial in The Dairy Record for March 1 says: "Those inclined to disbelieve that the world does improve need only to look to the dairy short courses for proof, for in comparing the short courses which are being offered this year and ten years ago it becomes immediately apparent that they have not only been bettered insofar as subject matter is concerned, but in addition they have been shortened, which to our way of thinking is a decided improvement. Most of the dairy schools have shown improvement in both respects, but some could still be made more valuable in their subject matter offerings, as well as shortening the duration of the courses. In the latter respect, we believe that their courses would be better attended if they would follow the example of South Dakota where a one day course is held and in Illinois where the university offers a course to experienced dairy products manufacturers that lasts but a few days. If the dairy schools ever hope to attract the executives to their short courses they will have to make them short courses in the real meaning of the word. No man holding any kind of an important position wants to spend a week or more away from his duties, whereas he probably would be very much interested in attending courses each year if they were short enough and gave him the type of information that he wished...."

Farm Mortgages An editorial in The Prairie Farmer for March 4 says: "We can get rid of the farm mortgage problem in the future by having a universal system of tenancy, with the land owned by wealthy individuals or corporations. But many of us do not think that is a good thing for the country. The young man who wants to till his own land can not avoid a mortgage except in unusual cases. There is no reason why this should not be so. In normal times good farm land is the best security, and even in abnormal times like these farm mortgage investments compare favorably with most other investments. There is need for a more scientific handling of farm mortgage loans. They should all be made on the amortization plan, so that they can be paid off in small annual installments over a long term of years...."

Michigan An editorial in The Michigan Farmer for March 4 says:
Sugar "Sugar beets certainly proved to be a 'sweet' crop for Michigan
Beet farmers this past year, as 121,000 acres produced 1,184,000 tons,
Crop from which was refined 330,000,000 pounds of sugar. The income
 to some 14,000 farmers from this was well over \$6,500,000. Sugar
 beets compete with no other crop grown in the Middle West, but,
 on the contrary, they reduce production in lines where there are
 surpluses. Furthermore, we should have no marketing problem,
 with the full cooperation of Michigan housewives, because the peo-
 ple of the State consume more sugar annually than was produced
 on our farms in 1932."

Nebraska An editorial in The Nebraska Farmer for March 4 says:
Wood "Nebraska is receiving a splendid practical lesson in the value
Value of woodlots. Wood worth two million dollars has been cut for
 fuel in Nebraska this winter, according to estimates by C. W.
 Watkins, extension forester of the Nebraska College of Agricul-
 ture. One has only to drive the highways and byways and through
 the towns and cities of the State to see concrete evidence of
 this tremendous resource. In farmyards, along water-courses and
 on town lots are thousands of wood-piles. Not only has this
 wood been a blessing in the form of needed fuel to provide
 warmth in homes, but, in many communities, wood-cutting has been
 a relief activity for the unemployed. There is, indeed, a valua-
 ble lesson in this. Had it not been for the foresight, faith and
 efforts of many pioneers who planted the trees that are now yield-
 ing returns after years of growth, Nebraska would be without
 this big asset. The extensive use of wood this winter should
 furnish ample incentive for additional planting of trees for
 fuel and fruit."

Poultry The press of March 7 states that a National Union of
Killers Jewish Poultry Slaughterers became a reality March 6 when more
Unite than 500 delegates representing every State in the Union and
 parts of Canada met at the last and closing session of a conven-
 tion at New York and accepted plans for its organization. The
 meeting was held under the sponsorship of the Schochtim Union of
 Greater New York, a branch of the American Federation of Labor,
 and was the first of its kind held in America. Rabbi Jacob Bloom
 of New York was elected president. According to a resolution
 adopted, the organization will become affiliated with the Ameri-
 can Federation of Labor. Another resolution calls for a thirty-
 seven-hour week and a minimum wage scale of \$65 per week.
 Another resolution calls for the immediate cessation of cut-
 throat competition and price slashing.

Tung Oil An editorial in The Florida Times-Union for March 2
in Flor- says: "...At the present time many thousands of acres of Florida
ida land are planted to tung trees, some of them now in the bearing
 stage, the greater number approaching that stage. Some tung oil
 is being manufactured, although, as yet, in comparatively small
 quantities. More and more, it is safe to predict, will be
 manufactured as the development of the industry proceeds,

provided the procedure is based on reliably acquired knowledge and wise judgment. The tung oil market is here; the practicability of growing the trees and the production of oil from the tung nuts is being proved. As superior tung oil is manufactured in this country, from nuts grown here, so will new uses be found for every pound of high-quality oil that is likely to be produced...."

Wholesale
Prices

The Bureau of Labor Statistics of the U. S. Department of Labor announces that its index number of wholesale prices for the week ending March 4 stands at 59.6 as compared with 59.7 for the week ending February 25, showing a decrease of approximately two-tenths of 1 per cent. These index numbers are derived from price quotations of 784 commodities, weighted according to the importance of each commodity and based on average prices for the year 1926 as 100.0.

Section 3

Department
of Agri-
culture

An editorial in The Daily Argus-Leader (Sioux Falls, S.D.) for February 24 says: "The 4-H club work is among the most valuable services in South Dakota. Farm boys and girls profit greatly from the variety of activities promoted and they are 100 per cent in its favor. The club work promotes health, education and better farming. The South Dakota legislature will be deficient in an important obligation if it fails to consider this properly in connection with the general appropriation bill."

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 58

Section 1

March 13, 1933.

BANKING SITUATION

President Roosevelt announced on Saturday that State and national banks would be authorized to resume operations progressively beginning today, according to yesterday's press. A formal White House announcement covering all institutions subject to the President's emergency control, said that banks in the twelve Federal Reserve cities would be licensed to reopen today. Banks in the 250 cities having clearing house associations will be permitted to resume Tuesday morning. Washington is in this group. Banks located elsewhere, or that group generally classified as the "country banks," will resume Wednesday morning. The report says, further: "Almost simultaneously with the White House announcement, the Treasury made public the terms of its March 15 financing, which is to care for \$695,000,000 in short term maturities. To handle these maturities and provide additional funds for the daily Treasury deficit for another month, the Government is offering \$800,000,000 in short-term certificates. The new issues will go at 4 and $4\frac{1}{4}$ per cent interest, the highest peacetime rate on record for United States Government obligations maturing in less than one year..."

FARM LEADER CONFERENCE

The Associated Press March 12 says: "Farm organization leaders March 11 asked President Roosevelt to give Secretary Wallace emergency power to reduce production and boost prices of farm products. The leaders recommended that the Secretary be given authority to select a relief plan, using in whole or in part many proposals made in years past, or, if he desires, to work out an entirely new approach to a solution of the farm economic problem. In a conference with President Roosevelt, the leaders suggested that authority to lease lands, to acquire title to commodities, to regulate marketing and other extraordinary powers be delegated to the Secretary....W. R. Ronald, Mitchell, S. Dak., newspaper publisher, chairman of the committee which called at the White House, said the proposed grant of power would not be 'dictatorial'; that leaders regarded it as impossible to recommend a specific plan of relief due to unsettled business and financial conditions.

"These specific powers would be granted by Congress to the President and Secretary Wallace under the proposal agreed to: 1. To lease agricultural land and (or) enter into contractual agreements for the control of agricultural production. 2. To take such action and to make such settlements as are necessary in order to acquire full legal title to all cotton or other farm commodities on which the Government has made loans or advances, upon such terms as may seem fair and just, and to exchange such cotton or other products with growers for acreage reduction. 3. To regulate and supervise the marketing and processing of agricultural and competing products in domestic and foreign commerce. 4. To levy such charges on agricultural products or products manufactured from them as seems necessary to accomplish the purpose of the act. 5. In the drafting of a bill to carry out these recommendations all powers necessary to the successful carrying out of the purpose to be achieved shall be included."

THE ECONOMY BILL

The House on Saturday passed the President's economy bill without amendment. It now goes to the Senate. (Press, Mar. 12.)

Section 2

Farm Board Wheat An editorial in The Wall St. Journal for March 11 says: "Chairman Morgenthau has stated that the Farm Board holdings of wheat futures total about 30,000,000 bushels, mostly in the May delivery. While this might be looked upon as a large amount to hold over the market, the announcement on the whole is rather encouraging. The cash holdings of the board are negligible, and there is the certainty that when the board's position is finally liquidated the Government will no longer engage in any so-called stabilization performances. But Mr. Morgenthau has taken pains also to assure the trade that the holdings will be liquidated in as orderly a manner and with as little disturbance as possible. The possibility is developing now for a quick and orderly liquidation of a great part of that supply of wheat, if not all of it. The bank holiday necessitated closing of the exchanges, but in order to keep wheat moving the Chicago and Kansas City Boards of Trade attempted to keep open their cash wheat markets. It was found, however, that they could not function without the futures markets to furnish hedges and therefore those cash markets were obliged to close until such time as the exchanges opened. As millers depend upon the futures market to insure them against price fluctuations in the purchases of wheat and sales of flour it can be seen what an effect the closing of the exchanges have upon the milling industry, which is the ultimate market for wheat. If the board, under Mr. Morgenthau's leadership, should see fit to sell its wheat to millers on a contingent price basis its holdings could be liquidated in an orderly and helpful manner. In effect, this would be for the Government to take the place of the hedge market and insure the purchasers against price changes... By all means accept the risk of a small loss and get rid of this incubus on the wheat market."

Foreclosure Bids Upheld A Lincoln, Neb., dispatch March 11 states that the Nebraska Supreme Court held March 10 that mere inadequacy of price in a foreclosure sale would not justify a court in refusing confirmation. It held that inadequacy must be so great as to shock the conscience of the court or to amount to evidence of fraud. The report says: "The high court also said a court order confirming the sale of land under foreclosure proceedings would not be disturbed unless it has been shown that a subsequent sale would realize a greater price for the land. The decision came in a case upholding a Douglas County District Court's confirmation of the sale of fifteen acres of land in a foreclosure case brought by Nels L. Nelsen against Leopold Doll."

Lippmann on Bank Situation Walter Lippmann, writing in the New York Herald Tribune for March 10 says: "The much debated question as to whether the congressional exposure...was in the public interest can now be answered clearly in the affirmative. It is, of course, true that the exposure accelerated the banking crisis by adding to the popular distrust of banks....The crisis has not only made it possible for the Administration to reform the banking system drastically,

but it has produced, or at least brought into the open, a recognition of evils and a desire for reform within the banking community itself....In the reorganization of the banking system which has now become imperative, it is certain that steps will have to be taken to centralize the banks to a much greater degree than ever before. By branch banking and by mergers of various kinds under national control we seem to be headed toward the establishment of a system, like the British and Canadian, in which there are fewer banks of very much greater size....Thus there is a prospect that out of all this trouble we may get not only a reconstructed banking system, and a reform of banking policies, but regenerate bankers whom the public can and will entrust with the operation of the new system. Mr. Aldrich has, of course, merely opened up that prospect. The future of banking reform, and the state of the public mind about it, will be greatly influenced by the manner in which Mr. Aldrich's statement is received in Wall Street and in other financial centers."

Pellagra

"Pellagra--A Persistent Problem" is the title of an extensive editorial in The Journal of the American Medical Association for March 4. This says in conclusion: "It would appear that unless much more laboratory evidence to the contrary should be forthcoming, or until the terms pellagra and pellagra-like shall be more narrowly defined than at present, one should at least maintain an open-minded attitude toward the view that the nutritional deficiency which leads to pellagra may be of alternative or multiple rather than simple and invariant nature. This would seem consistent both with the general trend of the evidence and with the most recent contributions to it. Regarding the former it may be said, as was pointed out by the Committee on Nutritional Problems of the American Public Health Association a few years ago, that the one observation that has recurred consistently throughout the conflicting literature of pellagra is the curative and preventive value of milk, which is a good source of all the different nutritional factors that have seemed to be involved. In a contribution by Stiebeling and Munsell from the United States Department of Agriculture, one finds evidence of pellagra preventive value in a number of articles of food which vary so widely in character as to suggest that they might be quite as satisfactorily interpreted in terms of a combination of nutritional factors as of any one alone; and Sherman and Derbigny of Columbia University offer evidence that the adequacy of the protein intake has a significant bearing on the ability of experimental animals (in this case rats) to endure a shortage of vitamin G. In terms of the Goldberger hypothesis, this has an important possible bearing on the genesis of pellagra."

Russian Farm Units

Walter Duranty, Moscow correspondent of The New York Times, writing from Berlin to the March 3 issue, says: "In previous dispatches the writer has given a gloomy picture of the situation in the North Caucasus, the Lower Volga region and the Ukraine, with their manifold difficulties of sabotage and peasant apathy and the harsh measures adopted to overcome them. But

there is a brighter side to the story, and it involves positive measures of construction and organization. The new political department of the machine-tractor stations is not, as the writer was originally inclined to think when the decree was issued, a sort of new rural OGPU--that is, an additional form of repressive action. The new department is the greatest constructive step toward the efficient socialization of agriculture yet taken in Soviet history. It is being modeled, not on the OGPU but on the political department of the Red Army, which--nowadays at any rate--has nothing to do with surveillance or even the military intelligence service, in the Western sense, but handles and organizes the political education--on Communist lines, of course--of Red soldiers from recruits to reservists....The commanders of the new rural political departments are being selected principally from the most experienced army politicals with long party membership and the knack of combining authority with the aforesaid Red Army comradeship. These commanders, who will number about three thousand, will be directly appointed by the Central Committee of the Communist party and will in the final issue have control over all local government and Communist party organizations. They and their subordinates will organize and direct not only farming but ultimately the whole rural life and will coordinate with it the activities of volunteers--Young Communists, shock-brigaders and peasant reservists--who are being mustered by tens of thousands for the sowing campaign. Clearly it is militarism but of the Red Army brand, not the Prussian type or OGPU militarism. The writer can state without fear of contradiction that the Red Army is the finest creation of the Soviet power...."

Today's
Leader-
ship

An editorial in The Wall St. Journal for March 11 says: "In the year 1851 that wise Swiss, Henri Frederic Amiel, wrote in his Journal a specification for the kind of leader needed today, in every nation of the world, in every state and city, in every industry and calling. Events, both world-wide and business-wide, are surely shaping for improvement, leading in time to another inevitable surge of progress. Those whose influence will count for most, the new leaders of tomorrow, will be the men and women who measure up to this specification of Amiel's: 'To know how to be ready is a great thing, a precious gift, and one that implies calculation, grasp and decision. To be always ready a man must be able to cut a knot, for everything can not be untied; he must know how to disengage what is essential from the detail in which it is enwrapped, for everything can not be equally considered; in a word, he must be able to simplify his duties, his business, and his life. To know how to be ready, is to know how to start.' In unraveling the tangle of our present economic situation, some of the Gordian knots of today must assuredly be cut. To get action on our common problems, the essential must be ruthlessly disengaged from its confusing detail--for if ever a profound truth was written it is Amiel's observation that 'everything can not be equally considered;' the essential must prevail. We need to simplify our thinking on the problems facing our country, our communities and our personal concerns, and to pick

out starting points from which we may hope immediately to advance. The greatness that we now need is not the greatness of a few big names, but the aggregate greatness of a large number of men of homely sense, who, in whatever positions they occupy, 'know how to start.'...The sum-total of their 'starting' will start the Nation."

Section 3

Department of

Agriculture

An editorial in The Weekly Kansas City Star for March 8 says: "The appointment of Henry A. Wallace as Secretary of Agriculture and Henry Morgenthau, jr., as chairman of the Farm Board means a revolution in the Department of Agriculture and allied organizations in Washington. Both are graduates of agricultural colleges, have operated farms and have been publishers of agricultural journals. Secretary Wallace has been most active in the field of agricultural economics. He specialized in the cross-breeding of corn and livestock. His development of hog-ratio charts and forecasts of corn yields on the basis of rainfall and temperature records have attracted wide attention. He has been one of the leading advocates of expanding markets through tariff adjustments. His training and his contact with Iowa agriculture will make it possible for him to develop a sound program of agricultural production....There is no question of his sympathy with agriculture and his knowledge of the situation with which farmers are confronted.

"Mr. Morgenthau has had wide experience in the development of a program of conservation of soils. He has been directly in charge of the purchase of marginal lands and the reforestation work in New York. His chief duty will be to coordinate the various governmental agencies which are advancing loans to farmers. His determination to consolidate all of these agencies under one head should result in greater efficiency. There is every evidence of a new deal in the Department of Agriculture. Just how far Congress may go in the support of the progressive ideas which those in charge have been committed to is the unknown factor. There will, however, be no criticism for lack of sympathy with the farmers in their plight or a lack of first-hand knowledge of agriculture as an industry."

Section 4

MARKET QUOTATIONS

Farm Products

March 10.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$5.25 to \$7.50; cows, good \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$5 to \$6.25; vealers, good and choice \$6 to \$8; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; 160-200 lbs. good and choice \$3.75 to \$4; 200-250 lbs. good and choice \$3.75 to \$4; 250-350 lbs. good and choice \$3.60 to \$3.85; slaughter pigs, 100-130 lbs., good and choice \$3.25 to \$3.60. Slaughter sheep and lambs: lambs, good and choice (90 lbs. down) \$5.25 to \$5.75.

Maine sacked Green Mountain potatoes ranged 90¢-\$1.15 per 100 pound sacks in eastern cities; 52¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites nominally unchanged, but no sales reported; 48½¢-54¢ f.o.b. Waupaca. New York Danish type cabbage \$14-\$18 bulk per ton in New York City; \$9-\$9.50 f.o.b. Rochester. Florida Pointed type 90¢-\$1.25 per 1½-bushel hamper in the East. Texas Round type \$1.75-\$2 per western lettuce crate in Chicago; 90¢-\$1 f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions brought 35¢-95¢ per 50-pound sack in city markets; 60¢-70¢ f.o.b. Rochester and 55¢-70¢ f.o.b. West Michigan points. East Shore Maryland and Delaware Jersey type sweet-potatoes 75¢-\$1.10 per bushel tub in eastern cities. Tennessee Nancy Halls 50¢-60¢ per hamper in the Middle West. New York No.1, 2½ inches, McIntosh apples \$1.30 per bushel basket in New York City; Rhode Island Greenings 75¢-80¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 20¢; 91 score, 20¢; 90 score, 20¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10¾ to 11¢; Young Americas, 11½ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Specials, 16¼ to 17½¢; Standards, 15¾ to 16¢; Firsts, 15 to 15¼¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 59

Section 1

March 14, 1933.

BANKING SITUATION The press today says: "Normal public confidence reasserted itself yesterday from coast to coast as nearly 300 banks resumed practically unrestricted operation in the twelve Federal Reserve cities. As the wheels of the great American financial machine began to move smoothly, plans were speeded at the Treasury to permit several thousand additional banks to resume regular business this morning in the 250 cities having recognized clearing houses. Late last night Treasury officials anticipated that today the large majority of banks in cities of 25,000 population, or more, would be ready to receive deposits and meet currency demands on an unrestricted basis...."

THE ECONOMY PLAN Leaders of the Democratic Senators yesterday called a party caucus for 10:30 o'clock this morning with a view to binding the majority to the letter of President Roosevelt's \$500,000,000 economy program, which the House adopted Saturday afternoon by an overwhelming majority, according to the press today. The report says: "The first test in the Senate on the economy bill, occurring at the outset of its consideration yesterday, revealed a lead of three to one for the President's plan, but the legislative chieftains preferred to take no chances on the adoption of more than a score of amendments offered in the session and so invoked the caucus rule...."

MYERS TO STUDY CREDIT MERGER The Federal Farm Board announced yesterday that Dr. W. I. Myers, on leave of absence from Cornell University, has been appointed as Assistant to Chairman Henry Morgenthau, jr. Dr. Myers was immediately assigned to make a study of the proposed plan of coordinating the various Government agencies that are dealing with agricultural credit. Dr. Myers is professor of farm finance in the college of agriculture, Cornell University.

GEORGIA SENATE PASSES COTTON BILL An Atlanta dispatch today states that the Georgia Senate yesterday approved by a 26-to-18 vote a bill calling for a cotton holiday in 1934. The report says: "The holiday would become effective only if States producing three-fourths of the cotton crop adopt similar legislation. The bill was urged by Governor Talmadge."

NORTH DAKOTA EMBARGO A Bismarck, N.D., dispatch today says: "Power to declare an embargo upon agricultural products shipped out of the State under certain price conditions was given to the Governor of North Dakota in a measure passed by the Legislature. The act permits the Governor to declare the embargo 'whenever the price of agricultural commodities produced in the State, after deduction for freight, commissions and expenses brings a price unconformable with the cost of production.'...."

Section 2

Business The Business Week for March 15 says: "Business, as the
Conditions sour jest goes, has been on a holiday along with the banks...
A country accustomed to transacting 90% of its business by check
can not switch in a week to a cash-and carry system. The very
magnitude of the catastrophe has dulled appreciation of its full
significance. That in part explains the quiet good humor of the
country. There are other reasons. One is a feeling of real re-
lief that the banking situation has been brought to an open crisis
where it can be dealt with adequately, not piecemeal. Out of the
disaster, the country believes it will get a really sound bank-
ing system, upon which foundation recovery can be built. Above
all, it has felt confident the President would take vigorous and
prompt action. Any considerable delay in restoring banking fa-
cilities would change the calm public temper swiftly into blazing
wrath....Statistics mean little this week. They do not yet re-
flect the full effect of the current conditions. One important
constituent of our index of business activity--check payments--is
entirely missing....Retail automobile sales have stopped, which
has backed up into curtailment of steel mill operations....Resi-
dential construction seems to be picking up, but public works
programs are being held in abeyance....Power consumption declined
only slightly, and chiefly in New England....Currency outstanding
reached fantastic levels as our people tried to convert some \$40
billions of bank deposits into cash over night....This is bottom--
there is no way to go but up."

Commodity E. C. Harwood, writing at length under the title "The
Prices Future for Commodity Prices" in Barron's for March 13, says: "It
is generally admitted that the forces of recovery will be sub-
stantially aided by the new prompt and realistic attempts to deal
with our many grave problems. Such action must, of course, be
based on an understanding of the cause and effect relationships
involved and on a willingness to face the facts. It will also
be conceded, no doubt, that one of the most important underlying
factors is the general price level. On it and its probable future
status depend in large part the decisions affecting managerial
policies of many kinds. Wage rates, capital writeoffs, market-
ing projects, and other features of the major problem will be
greatly influenced by the future course of commodity prices. It
is no exaggeration to assert that the profit possibilities of in-
dustry as a whole will be vitally affected by the level of prices.
Such being the case, it is of the utmost importance to face
squarely and foresee accurately the probable changes in this funda-
mental influence on the welfare of business. In any discussion
of the price level, one of the first points to get clearly in
mind is the meaning of a normal relationship of prices. So far
as this article is concerned, no mention will be made of the
price of one commodity as compared with the price of any other
particular commodity. These price relationships between differ-
ent individual commodities are subject to countless variations,
due to causes which would have to be sought in detail for each
particular case. Rather is it desired to take up the relation-
ship between commodities in general and gold. As everyone knows,

price in dollars and cents is merely a statement of the exchange relationship between gold and the other commodity in question. The conception of a price index which states the relationship between gold and a great many commodities is, of course, familiar... On the other side of the picture, there is the possibility of a new period of inflation. In the first place, the elasticity of the banking system makes possible inflation exactly similar to that witnessed from 1922 to 1929. Unless there is wise control, it seems probable that there will be inflation of this kind in some degree during the coming decade, but it seems fairly safe to predict that whatever inflation there is of this character will be gradual, probably not greatly extended and will, therefore, not greatly affect the wholesale commodity index. In conclusion, we may summarize as follows: (1) that the normal price relationship over the next few years will be that of the first decade of this century; (2) that in terms of index numbers, the price level may be expected to remain in the vicinity of 63, if the 1926 base be taken as 100, or in the neighborhood of 90 if the 1913 base be taken as 100 (U.S.B.L. Index Number); (3) that certain disturbances are within the range of possibility, but that the best estimate of the situation indicates a relatively stable price level in the vicinity of the normal already indicated."

Expenditures An editorial in The Wall St. Journal for March 13 says: "In a few words President Roosevelt, in his message to Congress, proved the necessity for reducing governmental expenditures to a level with income. The pity is that it was not within his province to call just as sharp attention to the need of reducing state and local expenditures, and lightening the burden of taxation. As the President said, for three fiscal years the Government has been making expenditures in excess of revenue and, notwithstanding additional taxes, the appropriations passed by the last Congress will result in another deficit for the fiscal year ending June 30, 1934. The total of these four successive deficits will amount to more than \$5,000,000,000. But state and local governments have not been behind the Federal Government in spending money. Taking the figures given by President Hoover in an address to the governors April 27, 1932, expenditures of such units aggregated \$9,800,000,000 in 1930 compared with \$6,800,000,000 in 1924 and \$2,200,000,000 in 1913. On the same authority, the combined state and local debt outstanding was \$14,400,000,000 in 1930 against \$9,100,000,000 in 1924 and \$3,800,000,000 in 1913. Increasing expenditures, in spite of generally increased taxes, resulted in more indebtedness. The President stressed the danger of an unbalanced budget to a government's credit. In addition to that it adds still further to the cost of government. Increased public expenditures must now be financed by borrowings. Recently \$75,000,000 short-term financing cost the Government more than 4 per cent. Assuming that when the \$5,000,000,000 deficit is funded it will be at 4 per cent, about \$200,000,000 annual interest will have been added to the Government's budget.... There is no denying that the people have received large benefits from much of the increased expenditures, but much of it was comparable to a man

living beyond his income. Some of this increase was caused, as Mr. Hoover himself said, 'by sectional and group demands, and a large expansion of national, state and local ventures into business, most of which is performed in a costly manner.' Now is a good time to overhaul all these practices and expenditures and begin to get economy in government."

Farm Board
Relief

The Federal Farm Board, through Henry Morgenthau, jr., chairman, announced March 11 that the Federal Government had been able to extend emergency financial relief to approximately 3,000 Texas citrus fruit growers through a loan of \$22,982 from the board's revolving fund to the National Fruit & Vegetable Exchange, Inc., with headquarters in Chicago. This loan enables the National Exchange to promptly send currency to pay for shipments of citrus fruit sold for the Rio Grande Valley Citrus Exchange, Weslaco, Texas, a grower-owned cooperative and a member of the National. The Texas emergency resulted from the present bank holiday which tied up the operating funds and collections of the cooperatives, preventing the National in Chicago from making payments to the Weslaco cooperative which, in turn, was unable to pay its grower-members.

Wool Trade

The Commercial Bulletin (Boston) for March 11 says: "Trading along Summer Street has been more or less suspended during the week, pending the outcome of the new banking legislation and the ending of the bank moratorium. There has been a fair quantity of wool sold, however, in the last two or three days at prices which are about on parity with the prices ruling ten days to two weeks ago. Some houses have marked up prices about 10 per cent from the prices prevailing prior to the moratorium. In the West everything has been at a standstill for the most part. A car of early medium wool in Michigan is reported sold at 11 cents f.o.b. Buyers are waiting for a clearer view of the situation. The piece goods market also has been in suspense, with a disposition on the part of the mills to withdraw lines and mark up prices protectively. The foreign markets are fairly steady on moderate activity."

Youth's
Reclamation

Owen R. Lovejoy, secretary of Children's Aid Society, New York, writing on "America's Wandering Boys" in Current History for February, says: "Wandering aimlessly about the United States today are 200,000, maybe 300,000, homeless boys. Uprooted by the social and economic crisis, they seek they know not what traveling back and forth across the country....American youth is on strike. Too inexperienced to draft a bill of grievances, they have walked out. If we expect them to return home, if we hope to end the recruiting of the vagrant horde, we must set our house in order. We must provide wholesome recreation, education and facilities for cultural development. Better housing and the abolition of slums, decent living conditions in agricultural communities, an enriched school curriculum, parks, playgrounds and social clubs can make the 'home town' more attractive to a normal youth than any other place. Decent standards by 'big brothers' of business and politics will prove an effective

antidote to the glorification of bootleggers, second-story men and other racketeers. But not until America gets back to work will the youth, who comes with eager enthusiasm from high school or college, offering to society his keen, alert abilities, find a welcome for the utilization of the precious things he has to give. The problem is confessedly difficult, but it is not mysterious. Only by repairing those economic, political and social defects of which we are already aware may we hope to demobilize the army of youthful vagabonds."

Section 3

Department of
Agriculture

An editorial in The Dairy Record for March 8 says:

"Citing the records of 220,000 cows on test in the dairy herd improvements associations in 1931, O. E. Reed, Chief of the Federal Bureau of Dairy Industry, in his last annual report points out that 'the cow that produced 500 pounds of butterfat returned... almost 16 times as much as the 100-pound producer.' This is a matter which will continue to be of interest long after the current depression is forgotten. The dairy industry is making a mistake in thinking that it can ever go back to the days when the 150-pound cow was profitable, depression or no depression. There are too many farmers in too many sections of the country going into dairying to leave room for any hope that the return of good times will solve the problem of the inefficient producer."

Section 4

MARKET QUOTATIONS

Farm
Products

March 13.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$5.25 to \$7.50; cows, good \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$5 to \$6.25; vealers, good and choice \$5.75 to \$8; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$3.85 to \$4.10; 200-250 lbs. good and choice \$3.85 to \$4.10; 250-350 lbs. good and choice \$3.75 to \$3.90; slaughter pigs, 100-130 lbs., good and choice \$3.25 to \$3.75; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5 to \$5.65.

Maine sacked Green Mountain potatoes 95¢-\$1.15 per 100 pounds in eastern cities; 50¢-55¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 75¢-82¢ carlot sales in Chicago; 52½¢-57½¢ f.o.b. Waupaca. New York Danish type cabbage \$15-\$18 bulk per ton in New York City; \$10 f.o.b. Rochester. Florida Pointed type 90¢-\$1.40 per 1½-bushel hamper in the East. Texas Round type \$2-\$2.25 per western lettuce crate in Pittsburgh; few \$1 f.o.b. Lower Valley points. New York and Midwestern yellow varieties

of onions brought 40¢-90¢ per 50-pound sack in consuming centers; 70¢-80¢ f.o.b. Rochester and 50¢-75¢ f.o.b. West Michigan points. New York Baldwin apples, No.1, 2½ inches, 90¢ per bushel basket in New York City; \$1.12-\$1.15 f.o.b. Rochester and Rhode Island Greenings 75¢-80¢ f.o.b.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17½¢; 91 score, 17¼¢; 90 score, 17¼¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10¾ to 11½¢; Single Daisies, 10¾ to 11¢; Young Americas, 11½ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Specials, 14½¢ to 15½¢; Standards, 14¢; Firsts, 13¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 60

Section 1

March 15, 1933.

BANKING SITUATION

The press today reports: "Banks in the smaller communities throughout the country received licenses from Federal and State authorities last night to open for normal business today.

About 1,500 banks were open in the United States yesterday, when full banking facilities were restored to 250 cities having recognized clearing houses, in addition to the twelve Federal Reserve regional cities where banks reopened on Monday.

"The New York Stock Exchange and most other security and commodity exchanges throughout the country will reopen today; the New York Cotton Exchange and the Chicago Board of Trade, tomorrow. Clearing of checks will be on a nationwide scale today, ending the interruption to general business transactions caused by the banking holiday. The dollar retained its strength yesterday in foreign exchange dealings. Deposits continued to exceed withdrawals by a large amount in the reopened banks."

THE ECONOMY BILL

Failing in an extended night session effort to reach a final vote on the President's \$500,000,000 economy bill, the Senate last night, with the bill still far from passage, agreed to limit debate on the far-reaching cuts when third day consideration of the measure is resumed today...."

THE SECRETARY CONFERES WITH PROCESSORS

The press today says: "Continuing his study of the proposal for emergency agricultural relief submitted to him on Saturday by farm leaders, Secretary Wallace was in conference yesterday morning with a number of processors of the farm commodities that would be affected by the proposal. Farm leaders would have Congress grant the President power to make adjustments deemed necessary to bring farm production into line with consumption. Secretary Wallace stated that the purpose of yesterday's conference was to discuss the scope of the plan proposed by farm leaders and to lay the basis for subsequent cooperation between the Department of Agriculture and the processors in developing regulations under any bill which might be passed, so that they would be both feasible and practicable from the standpoint of the processors themselves.

"In addition to Secretary Wallace, Assistant Secretary Tugwell, and Dr. Mordecai Ezekiel of the Department, the following attended the conference: V. W. Wood, Thomas E. Wilson, F. George Lee, packers; Sydney Anderson, Fred J. Lingham, millers; W. F. Jenson, A. M. Loomis, dairy industry; R. T. Stevens, Charles A. Cannon, A. F. McKissick, cotton mills; T. W. Wickam, E. J. Grimes, grain handlers; and B. M. Baruch, H. S. Johnson, George N. Peek, H. I. Harriman, and Representative Marvin Jones."

THE COTTON BILL

The press today says: "President Roosevelt has decided against signing the Smith cotton pool bill--pocket vetoed by President Hoover--holding among other things that the constitutional question-ability of his right to do so would bring on legal complications..."

Section 2

Agriculture

The Business Week for March 15 says: "The tall-corn and Alcohol plan to aid the farmers by forcing the public to buy a little alcohol with its gasoline is entering the political stage of its development. To that extent, it is to be taken seriously, however inefficient and uneconomic it may be intrinsically. Corn state farmers, bankers, and merchants take it very seriously indeed. Spontaneous support is considerable. Legislators, Congressmen, and editors are being bombarded with letters extolling the virtues of the mixture, quoting the experiments of one Paul Beshers, current patron saint of this old scheme in modern dress. Beshers is a canning factory chemist in a small town of El Paso, Ill., where the Toledo, Peoria & Western crosses the Illinois Central about 30 miles east of Peoria and 10 south of Bloomington. Two stations east on the T.P. & W. is Gridley, population 709, where, early in January, the Lions Club held the meeting which began the active promotion of the Beshers plan, which calls for Congress to pass a law providing that motor fuels shall be blended 10% by volume with ethyl alcohol made from agricultural products grown within continental United States. Promoted as a 'plan for national economic recovery...for bringing back better times,' the idea has gained enthusiastic response... Iowa has already legalized the manufacture of alcohol, a necessary preliminary. The second step would prohibit the sale of unmixed gasoline, set up the executive council to regulate the manufacture and sale of grain alcohol. Illinois and Indiana have equally ambitious plans...."

The Washington Star for March 12 contains a long article on alcohol as fuel, which says in part: "Use of the tax powers of the Federal Government to force blending of alcohol with gasoline for motor fuel is being given serious consideration here in Washington as a means of farm relief and industrial adjustment. While practical experiments have proven that gasoline can be mixed with a small percentage of alcohol to advantage, without change of present automobile motors or even serious adjustment of carburetors, the possibilities of nation-wide adoption of a policy to mix alcohol with gasoline are being given most serious study not only by officials of the executive branch of the Government, but also by legislators on Capitol Hill. Success of alcohol in gasoline in some foreign countries, notably Germany, and in some experiments conducted here has led to high hopes on the part of some that substantial help can be given to the whole farming industry by providing this huge new demand for alcohol, to be made from farm products, notably grain and fruits. ...Comprehensive studies of the whole problem from a national viewpoint have been made by Dr. James M. Doran, commissioner of industrial alcohol. While some progress already has been made in various communities throughout the country towards local use of gasoline blended with alcohol, the proposal is also being considered by several States, it was learned today. Dr. Doran believes the proposal holds such bright prospects that it should be adopted as a national policy to make practice uniform throughout the country. The program would provide means of utilizing crop surpluses...."

Branch
Banking

An editorial in The New York Times for March 12 says: "When the time comes to supplement the emergency bank legislation enacted last week with a broader program of reform, consideration is certain to be given to the proposal for a more extensive system of branch banking. This was an important feature of Senator Glass's bill in the last session. He argued persuasively that the American banking system would be improved by making available over a wider area the services of 'strong banks, capable of supplying sufficient capital to minister to the commercial and industrial needs of the community.' At the present time only nine States permit branch banking on a state-wide scale. These are Rhode Island, Vermont, Delaware, Maryland, Virginia, North Carolina, South Carolina, Arizona and California. In fourteen other States, of which New York is one, branch banking is permitted within restricted areas, such as the limits of a single city, township, borough or county. In the remaining States, a summary recently prepared by the Federal Reserve Board showed that eighteen specifically prohibit this type of banking, while seven have no legislation on the subject. The experience of Canada, which fosters branch banking, has furnished a powerful argument for broadening privileges now so narrowly restricted in the United States. In comparison with our record of more than 5,000 failures in the last four years, Canada has not had a single failure during the depression and only twenty-six since the confederation of the Dominion in 1876. Our own very limited experience with branch banking points in the direction of greater stability...."

British
Birth
Rate

London correspondence of The Journal of the American Medical Association for February 25 says: "The registrar general's provisional vital statistics of England and Wales for 1932 have just been published. For the fourth year in succession the birth rate is the lowest on record, being 1 per thousand below that of 1929 and 1930 and 0.5 below that of 1931. The death rate is 0.3 below that for 1931. The infant mortality rate is 1 per thousand below that for 1931. The only year showing a lower rate is 1930. In 1928 the rate was the same; namely, 65...."

Chilean
Food
Plans

A Santiago, Chile, dispatch March 14 says: "The shortage of cereals for the Chilean population for the coming winter is becoming a serious problem. An inquiry committee has demanded that about \$2,000,000 be spent for wheat and flour from Argentina. Poor harvests and unsatisfactory quality have made local production insufficient to feed the population which is protesting against the high prices of commodities. A bill placed before Congress March 11 would authorize the government to purchase cereals abroad and distribute them under state control. The bill provides for loans from banks to cover the purchases."

Iowa
"Holiday"
Associa-
tion

A Des Moines dispatch March 15 says: "Militant agriculturists of the National Farmers' Holiday Association, in convention at Des Moines March 12, threatened another farm strike unless their legislative demands are approved by Congress by May 3. Approximately 400 persons, representing sixteen States

and the District of Columbia, attended the session, at which resolutions were adopted demanding a national moratorium on foreclosures, passage of the Frazier bill to refinance farm loans at a low interest rate and Federal operation of banks as public utilities. The association also voiced a demand for enactment of the Swank-Thomas bill, which, they said, will insure cost of production for the farmer's products...."

Irish Milk Methods Dublin correspondence of The British Medical Journal for February 25 says: "Dr. G. C. Dockeray, in an address to the members of the Jersey Cattle Society of Ireland, said it was essential for the public health that there should be a good milk supply....Dr. Dockeray mentioned that at the Dublin abattoir it was found that 30 per cent of the animals killed suffered from tuberculosis; this fact should not, he said, cause any unnecessary alarm, because the cattle were mostly old and were not used for milk production. In fighting tuberculosis in Ireland there was difficulty owing to the number of cows that reacted to the recognized tests. Hygienic milking methods and distribution in such a manner that bacteria were not attracted were safeguards against unclean milk. Another safeguard was pasteurization, which, however, he did not altogether favor. The Government could help by passing effective laws regulating the grading of milk. In England there were too many terms for milk grades, and much confusion had resulted. It would be better to have a Grade A tuberculin-tested milk, allowing, say, 30,000 bacteria per c. cm....He opposed compulsory pasteurization because unusually it was a cloak to conceal dirty methods of production. If there was to be nothing but compulsory pasteurization, camouflage of milk would be widespread, and there would be no inducement to use clean methods. In one bottle of alleged pasteurized milk which was tested in Dublin no fewer than 149,000,000 dead bacilli and 29,000,000 living bacilli per c. cm. were found. He could not believe that that was fresh milk, so he went to the vendor, who informed him that it was offered for sale during the Eucharistic Congress Week, when milk was reaching Dublin from all over the country. Some of the smaller shops, selling milk along with hundreds of other things should be put out of business because of the dangers of contamination. In one street in Dublin he had counted eighteen such shops--a number which would seem to be far in excess of requirements."

Lippmann on Economy Bill Walter Lippmann, writing under the title "A Great Reform" in the New York Herald Tribune for March 14, says: "The Economy Bill is described in the text as a measure 'to maintain the credit of the United States Government.' It is that. But it is more than that. This bill not only makes possible important economies. It not only corrects a gross social injustice. It not only buttresses the national credit in the crisis. It also introduces a principle into the American political system which, if it is understood and made permanent, can do more to purify American politics and elevate the character of the Government than any political reform in our history. The principle is that of appropriating money only on the recommendation of the Executive....This method is radically different from the ordinary

procedure of Congress and of most American legislative bodies. The ordinary procedure is for the legislature to order the payment of money for pensions, public works, subsidies and what not. Thus the legislature has the initiative in spending, and usually the expenditure is mandatory. This is a vicious system which has been abolished in all advanced democracies... If the country will insist that the principle of this Economy Bill be made a permanent principle applying to all appropriations, it will do more to revitalize the American democracy than can be done by any other political reform. Far from having set up a 'dictator,' from having forced Congress to 'abdicate,' far from having 'suspended' popular government, the country will have taken the one most necessary step towards making representative government effective, public-spirited and enduring."

New York Cattle Embargo An Albany, N.Y., dispatch states that the New York cattle embargo case, in which Wisconsin dealers were prohibited from shipping uncertified cattle into New York, has been appealed to the United States Supreme Court, Judge Frank Cooper, of the District Federal Court, said March 5. The report says: "In a decision handed down a few weeks ago, Judge Cooper and his colleagues ruled in favor New York. The case arose when State authorities refused to permit the importation of cattle which was not accompanied by certificates that the herd was free of Bang's bovine disease. The Wisconsin dealers contended that New York's embargo constituted an intermeddling with interstate commerce."

Section 3 MARKET QUOTATIONS

Farm Products March 14.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$5.25 to \$7.50; cows, good \$2.75 to \$3.50; heifers (550-750 lbs.) good and choice \$5.25 to \$6.50; vealers, good and choice \$5 to \$7; feeder and stocker steers (500-1050 lbs.) good and choice \$4.50 to \$6; hogs, 160-200 lbs. good and choice \$4 to \$4.15; 200-250 lbs. good and choice \$4 to \$4.15; 250-350 lbs. good and choice \$3.85 to \$4.05; slaughter pigs, 100-150 lbs., good and choice \$3.50 to \$3.90; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5 to \$5.65.

Maine sacked Green Mountain potatoes 95¢-\$1.15 per 100 pounds in eastern cities; 53¢-55¢ f.o.o. Presque Isle. Wisconsin sacked Round Whites 77½¢-82½¢ carlot sales in Chicago; 52½¢-56½¢ f.o.b. Waupaca. New York and Midwestern yellow varieties of onions brought 40¢-90¢ per 50-pound sack in consuming centers; 70¢ f.o.o. Rochester and 60¢-70¢ f.o.o. West Michigan points. New York Danish type cabbage \$15-\$18 bulk per ton in a few cities; \$10 f.o.b. Rochester. Florida Pointed type 90¢-\$1.12½ per 1½-bushel hamper in New York City. Texas Round type \$1.75-\$2 western lettuce crate in Chicago; \$1.10-\$1.25 f.o.b.

Lower Rio Grande Valley points. New York McIntosh apples, No. 1, 2 $\frac{1}{8}$ inches, \$1.12 $\frac{1}{2}$ -\$1.35; Rhode Island Greenings \$1-\$1.12 $\frac{1}{2}$ per bushel basket in New York City; Baldwins \$1.10 f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17 $\frac{1}{2}$ ¢; 91 score, 17 $\frac{1}{4}$ ¢; 90 score, 17 $\frac{1}{4}$ ¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 11 to 11 $\frac{1}{2}$ ¢; Single Daisies, 11¢; Young Americas, 11 $\frac{1}{2}$ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Specials, 14 $\frac{1}{2}$ to 15 $\frac{1}{2}$ ¢; Standards, 14 to 14 $\frac{1}{4}$ ¢; Firsts, 13¢. (Prepared by Bu. of Agr. Econ.)

No grain or cotton reports available yet.
